

The NATIONAL UNDERWRITER

Life Insurance Edition

Giving young agents a chance in sales management

(Some questions answered by a New England Mutual Life General Agent)



FOR TWENTY YEARS, C. Vernon Bowes has been a General Agent for New England Mutual Life. During that time his philosophy of promoting young, able career underwriters has given the New England some of its outstanding men. Seven General Agents (one now his partner), one Director of Agencies, and a number of other agents in management positions have come from his Newark agency.

When do you think a young agent is ready for a position in management?

"As soon as he proves himself ready with a sound understanding of life insurance fundamentals. Then if he shows an earnest desire for management responsibilities, I give him a chance to try his hand. There are eight men in my agency who got into management after less than three years of selling."

Early training is mighty important, isn't it?

"It certainly is. A young man must have a good foundation in life insurance before he can take over a management position. If he has good training and help when he enters the business, he should be able to 'write his own ticket' as far as the future goes."

Has this policy of giving young agents a chance in management helped your agency?

"It's given our morale a terrific lift. Young agents know there are 'no strings attached' to them — they can go as far as their industry and ability will take them. I feel this way: Life insurance has given me such rewards and satisfaction that I want other young men to have the same opportunities the New England has given me."

NEW ENGLAND
Mutual **LIFE** INSURANCE COMPANY
BOSTON, MASS.

THE COMPANY THAT FOUNDED MUTUAL LIFE INSURANCE IN AMERICA—1838

FRIDAY, OCTOBER 28, 1955

Who'd buy Life Insurance at the Automat?



SOME people would. They'd like the convenience of being able to pick out a policy with one hand and dessert with the other.

But for most thoughtful people, nothing will ever replace an honest, well-trained life insurance agent able to provide good, sound counsel in addition to good, sound policies.

That's why, here at Mutual Benefit Life, we're placing *more* emphasis — not less — on the importance of the life insurance agent. And that's why Mutual Benefit Life agents are confident of a prosperous future.

Marvin Kabachnick, Boston, to use his own words "concentrates on a complete analysis type of service to clients which includes a good deal of work in the partnership and corporate area." To provide such service, Marvin has (1) completed the most advanced home office training, (2) has spent hour after hour in the Life Underwriters Training Course and (3) still not satisfied, has started working for the title of Chartered Life Underwriter.



THE Mutual Benefit Life

INSURANCE COMPANY

300 Broadway, Newark, N. J.
Organized in 1845

RAISE JURISDICTION ISSUE

Craft's Statement Tells Why Fireman's Fund Officers Wouldn't Testify at FTC Hearing

James F. Crafts, president of Fireman's Fund Indemnity, made the following statement regarding his refusal to testify at the hearing before an examiner of the federal trade commission in San Francisco relative to alleged misrepresentation in the company's obsolete A&H advertising material:

"As announced when the federal trade commission complaint was issued in March, Fireman's Fund does not believe that the advertising material which we voluntarily sent to the commission last year contains any misleading statements. The commission's criticisms are highly technical in nature and the company has been unable to discover any evidence that any policyholder in any state has complained to any insurance department

Federal Judge Hamlin at San Francisco has ruled that Mr. Crafts may be required to testify before an FTC hearing, the time and place of which is yet to be set. However, to enable the attorney for Fireman's Fund group to file an appeal before the U. S. court of appeals, Judge Hamlin stayed his order.

The order requires that Mr. Crafts must answer questions relative to charges made by FTC that Fireman's Fund Indemnity has disseminated misleading advertising in connection with it hospital and accident insurance. The company has denied these charges and contends that FTC has no jurisdiction to regulate advertising. Further, the company holds, California insurance laws are applicable not only to the company as a California corporation but also to its actions in interstate commerce.

Judge Hamlin took the position that the FTC, as a government agency, has the right to subpoena Mr. Crafts, take his testimony and then decide whether FTC has jurisdiction. The attorney for Fireman's Fund says he feels the FTC has an investigative right over the company, but no regulatory rights.

A request by deputy attorney general Harold Haas of California to file an amicus curiae brief on behalf of Commissioner McConnell was denied by Judge Hamlin.

The petition for a subpoena to get Mr. Crafts to testify was filed by John W. Brookfield Jr., an attorney for the FTC.

about its accident and health advertising. Before the FTC citation was issued, the commission was advised that the advertising voluntarily sent them for review was no longer in use because new policies requiring new advertising had been announced by the company some time previously.

"The Fireman's Fund insurance group has built up over a period of 92 years a reputation for integrity and fair dealing. Obviously, we would not intentionally jeopardize this reputation by engaging in the activity alleged by FTC. Accordingly, even though we

do not believe that the commission has jurisdiction, we made every effort to cooperate voluntarily with them and to dispose of the issues they had raised with respect to our advertising on some mutually satisfactory basis. Our efforts in this direction were of no avail. It appeared that the company was in a position of being required to admit that the commission's criticism of the obsolete accident and health advertising was justified, or to accept the fact that the commission had jurisdiction in the matter. We could not accept the first alternative because we believe the complaint was without merit, and to accept the second would have placed us in a position of aiding the breakdown of state regulation of the insurance business by the 48 states.

"Therefore, upon the advice of counsel, officers of Fireman's Fund Indemnity company, who were subpoenaed by the hearing examiner of the federal trade commission, refused to give evidence and to produce documents on the grounds that the commission had no jurisdiction to maintain the proceeding and to require the production of evidence. By this action Fireman's Fund was not only requesting but urging counsel for the commission to present the jurisdictional issue to the federal court for determination. If and when a final order enforcing the subpoena is confirmed on appeal, Fireman's Fund will furnish all relevant material and documents and will be prepared at the

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Cleveland Leads Cities in September Ordinary Increase

Cleveland led large cities in percentage of increase in sales of ordinary life for September with 38% and for the first nine months with 30%, according to LIAMA.

For other large cities, the percentages of increase for September and the year-to-date, respectively, were: Boston, 32 and 29; Chicago, 11 and 22; Detroit, 30 and 29; Los Angeles, 22 and 29; New York City, 14 and 21; Philadelphia, 19 and 19; and St. Louis, 34 and 24.

Ill. Agents Hear Shield Warn Against Federal Legislation

By Wm. L. FINNERTY

PEORIA—The more than 500 agents who gathered here for the midyear meeting of Illinois Assn. of Life Underwriters and the Peoria Sales Congress heard W. Lee Shield, associate general counsel of American Life Convention, describe the National Assn. of Insurance Commissioners program of developing trade practices for A&H as a far better solution than a conference among insurers and FTC. The latter, he said, is an invitation for federal intervention.

The NAIC plans will be released in Chicago on Nov. 1, to the public later and to the whole NAIC complement at the end of the month, according to

ROUND TABLE OFFICERS

Chairman—B. L. Frazer, John Hancock, Dixon.

1st vice-chairman—David Dawson, Home, Chicago.

2nd vice-chairman—Walter O. Richard, John Hancock, Springfield.

Secretary-treasurer—Kenneth A. Mullins, Great-West Life, Chicago.

New directors—J. K. Elliott, Northwestern Mutual, Kewanee; Samuel Inbinder, Metropolitan, Elmhurst; H. B. Crawley, Lincoln National, Chicago.

Mr. Shield. He stated that FTC has another list of several companies to cite when it so desires.

Featured speakers for the two day meeting were Stanley Collins, Metropolitan Life, Buffalo, president of NALU; Dr. Solomon S. Huebner, president emeritus of American College; Alvin H. Goesser, director of human relations, World; Paul R. Weaver, John Hancock; Oliver K. Whiting, Dale Carnegie instructor from New York and London, and Mr. Shield.

The state association, with A. F. Moore, Northwestern Mutual, president, presiding, awarded the John Gallagher membership trophy to Joliet. Association membership now totals 3,500. The main resolution adopted provides for an extra dues assessment to be used as a legislative fund

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Bettering A&H Covers Is Big Topic at Louisville

Underwriting Forum of H&A Conference Draws Attendance of 200

More than 200 underwriters, medical directors and hospital insurance specialists met at Louisville this week for the annual underwriting forum of H&A Underwriters Conference.

Following welcoming remarks by John P. Hanna, conference managing director, and the underwriting committee chairman, E. B. Forsythe, Illinois Mutual Casualty, reports were made on the revision of three conference publications.

A. M. Hansen, Mutual Benefit H&A, presented a draft of the new edition of the underwriting report. He is head of a subcommittee that has reworked the popular 1949 edition. An index has been added and underwriting action has been revised. Publication is tentatively slated for December.

J. T. Helverson, Washington National, reported that more than 140 companies are now using the occupational classification report put out by the conference two years ago. Mr. Helverson polled companies earlier this year for suggestions on revision, saying that "No major changes were requested by the companies that responded to the questionnaire."

The agent's underwriting handbook also has been revised, according to R. L. Davis, American General Life. A final draft is now ready and publication is tentatively set for December.

Another conference committee has been working on the development of material on substandard risks. J. M. Wickman, Mutual of New York, said that when the report is completed it will suggest a company adopt standard nomenclature as a basis for the development of an underwriting manual for its own use. Impairments will be listed by code number. In this manner, experience can be collected that will encourage liberalization of underwriting throughout the industry.

A guest speaker, Reuel C. Stratton, Travelers, discussed the "History of Underwriting in Nuclear Energy Plants." He cited AEC accident statistics and outlined special underwriting problems.

The second portion of Monday's program was under the direction of E. J. Rogers, Security Mutual Life of Nebraska.

Carl Songer, general agent Washington National, filled a traditional speaking assignment with a commentary on underwriting attitudes of fieldmen. "I believe underwriters, not salesmen, should teach underwriting." Supervisors should watch for signs of difficulties developing between home office underwriters and the field. If this develops, field people should be assigned to the home office as observers and

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Late News Bulletins . . .

Would Bar Agents from Soliciting in Los Altos

LOS ALTOS, CAL.—A proposed amendment that would specifically include insurance agents in this town's "Green River" ordinance barring calls by salesmen unless by appointment is due for action Nov. 1. William Greene, agent of John Hancock at nearby Palo Alto, is leading the opposition, which includes not only insurance men but also the National Assn. of Direct Selling Companies.

Gaines Named V-P of Tennessee Life

HOUSTON—Charles E. Gaines, executive associate director of Southern Methodist University Institute, has been named vice-president and agency director of Tennessee Life of Houston. Mr. Gaines, a CLU, was named associate director of the institute in 1947. The following year he returned to active field work as agency director for Great National Life in Dallas and was elected a vice-president of the company within 10 months. He returned to SMU as executive associate director of the institute in 1954.

Why Insurers Should and How They Can Do More A&H by Writing More Substandard

The ultimate goal of A&H insurance should be universal coverage, or as near that as possible, properly and fairly-priced according to the degree of risk, Dr. William H. Scoins, chief medical director of Lincoln National Life, told the annual meeting of Assn. of Life Insurance Medical Directors in New York City. The business should strive to meet this obligation to the fullest extent possible, voluntarily, without coercion, on its own risk, and within the framework of a free competitive market, he said.

The failure of providing better means of protection is not in the number of plans available. Part of the fault may be in the current methods of underwriting. Perhaps these are too rigid, forcing elimination from coverage, wholly or in part, of a significant number of individuals who, by their own medical histories or findings on examination, are not standard risks. Is the A&H business willing to insure any number and variety of impaired lives? he asked. Perhaps it should review present underwriting methods to determine, if possible, their inadequacies and in what direction further advances or experiments in underwriting should be made.

In life insurance in a limited way some segments already are insuring substandard disability at standard premiums. It is a common practice in some companies to include waiver of premium for disability for all risks whose expected mortality, regardless of cause, is not in excess of 150%. This includes risks rated for conditions normally associated with protracted periods of disability. It is possible that given a recurrence of tuberculosis or of a psychoneurosis, thousands of dollars of premiums can be waived. In a narrow sense this is a measure of income replacement. Why can insurers not go a step further, contemplating disability in its broadest sense, and develop a technique of pricing the hazard of disability as they do mortality, he wondered.

With some impairments, as for example diabetes mellitus, selection would have to be of a high order and applied with great care. The heterogeneity which characterizes this impairment class demands cautious, individual underwriting. Moreover, no impairment insurers will be asked to consider is so much a disease of complications as diabetes, the prevention of which is so much up to the individual. These facts alone not only eliminate the possibility of developing a satisfactory exclusion rider, but emphasize the difficulties and dangers in experimenting with it as a risk for substandard A&H. But this impairment has its brighter side. Certainly for individual diabetics it would encourage them to know that by careful, conscientious care they may be eligible for a type of insurance coverage heretofore denied them. Obviously individuals so impaired need the security of A&H as much as, or more than do the fortunate who are unimpaired. Insurers think it significant that this impairment class is, in itself, a source of a large number of prospective policyholders, and they find courage in the observation that the good diabetic protects himself against illness and disability and, on the average exhibits a work and attendance record as good or better than the non-diabetic.

The thought that some impairments

would require both a rider and an extra premium arose when impairments such as the silent gallstone, recent non-operated cholecystitis, with or without stone, the silent non-obstructive kidney stone, and peptic ulcer with operation were contemplated. In these varied conditions the hazards of surgery, either elective or as a mandatory therapeutic procedure, and of recurrence, are most satisfactorily handled by an exclusion rider. In addition the difficulties in differential diagnosis which may arise; the secondary effects on the organ system involved which may occur; and the possibility of an adverse influence on the general physiology which may develop, present problems which are serious enough to suggest the need for an extra premium in addition to the rider.

The biggest problem, of course, is to establish the method or means of determining how much extra premium should be charged. By what technique or techniques will the relative value of any impairment class be expressed, he asked. This brings up the broad general principle that some diseases by their natural history lend themselves well to the extra premium approach, but as well with the likelihood of relative costs for medical, surgical, or hospital care in the event of future disability.

Since there is no basic morbidity table or experience from which to start, one must inquire into the relationship, if any, between morbidity and mortality rates. Over the years there has been developed considerable data which quite accurately reflects the mortality ratios that can be expected from a number of impairments. Surely any impairment which results in a mortality ratio above 100% of the standard expected should also be associated with an increased morbidity. If the standard A&H risk were to be assessed a morbidity ratio of 100%, cannot one add, in terms of percentage points, some multiple of the corresponding extra debits usually added to the standard expected mortality in life insurance, he asked. Naturally one wonders what multiple this should be. It should be safe to relate morbidity to mortality in this manner, developing factors for impairments by applying judgment, an estimate of the disability producing propensity of the impairments, and the probable nature of the cost to the company of medical, surgical, and hospital care, and of time loss thereby incurred.

He believes that the cost increment in any extra debit developed will vary widely with different impairments.

In developing any substandard debit one must consider not only the nature of the impairment and the relative costs of future disability, but the type of coverage being purchased as well, he said. Ratings for accident loss of time coverages will frequently differ from those for sickness loss of time. This is a fact already recognized in present underwriting methods for many cases are presently being accepted for accident loss of time coverage while being declined for sickness loss of time coverage. This is not to say that accident coverage can always be issued at standard rates. Many impairments increase the accident hazard, either by increasing the probability of the occurrence of accidents, such as would blindness in one eye, or more

frequently, by increasing and complicating the anticipated recovery period from an accident occurring independently of the impairment.

Hospital coverages, too, will differ from loss of time coverages. Some impairments may involve significantly more or less hazard of hospitalization and medical care than is the case with the loss of time hazard. In addition, the inability to use the extended waiting period method with hospital coverages frequently requires that the two coverages be treated differently, he said.

Term, Lower Premium per Sale Found Big Problem for New Man

A major problem in establishing the young agent today is the public's trend toward buying term insurance, coupled with the continued reduction of the average premium unit. W. Eugene Hays, general agent for New England Mutual Life in Boston, voiced this opinion in addressing LIAMA's Atlantic Alumni Assn. meeting at Rye, N.Y. on the problem of increasing earnings per sale.

"No matter how great his volume credits, the beginner must produce a substantial volume of premiums and commissions to survive," Mr. Hays pointed out.

He said he thought some gains are being made on this problem and to prove it he presented a series of working ideas submitted by 50 agency heads along the Atlantic seaboard. Ideas were divided into two categories: (1) those to improve the ratio of sales of permanent insurance as contrasted with term and protection rider forms, and (2) those to increase the average premium unit per sale.

Each idea was presented for comment to a panel of five managers selected from the audience of nearly 200 graduates of LIAMA schools in agency management.

Earlier Mr. Hays had described the problem as serious for general agents who must support their overhead from premium collections and who must be extremely conscious of the average size collection unit and, consequently, the type and quality of insurance being sold.

Referring to "an alarming increase in the use of term," Mr. Hays said: "When we combine these serious operational problems with the fact that term insurance is sold many times to prospects who should have bought permanent insurance and who later will be dissatisfied with their holdings and with the agents who sold them term, then we have a 'three-headed monster' which challenges the best that is in us."

He urged "vigilance and sound judgment to hold the sale of term within reasonable bounds."

Insurers Take Big Part of Illinois Toll Road Bonds

Several insurers are reported to have agreed to take substantial parts of the \$415 million Illinois highway turnpike bond issue. The bonds, maturing in 40 years and bearing 3 3/4% interest, were sold this week to a syndicate of investment houses at 98% of full value. The issue was described as the largest ever publicly offered excepting those of the U.S. government.

According to reports, New York Life has agreed to take \$75 million of the bonds, the largest single purchase. Other sizable amounts were said to be purchased by Northwestern Mutual Life, Continental Casualty, and Penn Mutual Life.

Program for Dec. 28-29 Annual of Teachers Ready

Four symposiums will highlight the annual meeting of American Assn. of University Teachers of Insurance to be held Dec. 28-29 at Hotel Roosevelt, New York City.

The convention will begin with a breakfast for CLUs and CPCUs with the formal opening under the direction of William T. Beadles of Illinois Wesleyan university. Hampton H. Irwin of Wayne university, vice-president of the association, is chairman of the program committee and Dr. Victor Gerdes of Assn. of Casualty & Surety Companies is chairman of the local arrangements committee.

Edison Bowers of Ohio State will discuss teaching social insurance as a course in the insurance curriculum at the first session. C. A. Kump of University of Pennsylvania will lead a discussion period. Domenico Gagliardo of University of Kansas had agreed to give the paper on this topic, but suffered a heart attack and died Oct. 3, and Mr. Bowers accepted the invitation to give the paper.

The first symposium on the place of the college graduate in the insurance business will be moderated by Dan M. McGill of University of Pennsylvania. Speakers and their topics are Charles J. Zimmerman, managing director of LIAMA, the place of the college graduate in life insurance sales; Holgar J. Johnson, president of Institute of Life Insurance, the place of the college graduate in life insurance home offices; Guy T. Warfield, president of Warfield-Dorsey Co., Baltimore agency, the college graduate in property and casualty home offices.

At the luncheon session Laurence J. Ackerman of University of Connecticut will preside and George E. Johnson, president of Variable Annuity Life, will discuss the variable annuity.

Herbert C. Graebner of American College will be chairman of the afternoon session at which a symposium will be held on life insurance in its new competitive frame. Richard M. Sellers, vice-president and actuary of Commonwealth Life, will moderate and speakers will be Dudley Dowell, executive vice-president of New York Life, and H. Bruce Palmer, president of Mutual Benefit Life.

The annual business meeting will be held that evening with Mr. Ackerman presiding.

Kenneth W. Herrick of University of Connecticut will present a paper on teaching basic property and casualty courses at the morning session Dec. 29. Charles C. Center of University of Wisconsin will preside and Emerson Cammack of Illinois university will lead the discussion.

A symposium on university retirement programs and social security will be held at the second morning session and Irving Pfeffer of University of California will speak on current retirement programs in American universities and colleges. C. Arthur Williams of Minnesota university will be the discussion leader. Another paper on integration of college retirement systems with the current social security system will be given by William C. Greenough, vice-president of Teachers Insurance & Annuity Assn. of America and vice-president of College Retirement Equities Fund, and

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Duties of Management Are Scrutinized

MANY ASPECTS OF JOB CONSIDERED AT MIDWEST CONFERENCE

The job of management was scrutinized at the Midwest Management Conference at French Lick, Ind., by a group of stellar speakers, attention being focused on both the tedious and exciting aspects of making an agency successful.

Sponsored by Indianapolis General Agents & Managers Assn., the meeting was attended by 151 field and home office agency management men, representing 18 states and the geographical extremes of Texas, Denver, Montreal and the east coast. In addition to the formal program, there was a reception and dinner-dance.

Speakers included Harold T. Dillon, general agent National Life of Vermont, Atlanta; Lawrence Leland, manager of agencies American United Life; H. Bruce Palmer, president Mutual Benefit Life; Coy Eklund, manager Equitable Society, Detroit; Roe Walker, general agent Northwestern Mutual, Cincinnati; William E. North, northern Illinois manager New York Life, Chicago; Charles Gaines, executive associate director of the Southern Methodist University institute; Hal L. Nutt, director of the Purdue institute; Carr Pursuer, general agent Penn Mutual, New York City; Oren Pritchard, manager Union Central, Indianapolis; Paul S. Mills, manager Great-West Life, Columbus, O., and R. W. Osler, vice-president Rough Notes Co. Grant O. Q. Johnson, home office manager of Indianapolis Life, was meeting chairman.

Recruiting almost entirely through his own agents, Mr. Dillon named as recent sources of new agents, FBI men, ex-athletes, coaches, "travelling salesmen tired of travelling," men who have been in business for themselves, college graduates, and young bank officials.

His method of getting agents to recruit for him, Mr. Dillon explained, is to point out to them that the ability to recruit is essential to management success and that bringing in prospective recruits is one way for them to test, without chance of financial loss to themselves, whether or not they have the ability needed for possible future managerial work.

In talking to prospective recruits, Mr. Dillon explained, he uses an organized talk, built on the same principles on which a sales talk for life insurance is built. He seeks to get the man to talk in order to get an insight into his character, and he uses the services of a professional psychologist to analyze a man's potential. Once he is convinced the man can succeed in life underwriting, he closes by "romancing the business."

Demonstrating the visual recruiting easel presentation the company has prepared for use of its general agents, Mr. Leland said it is intended to be spread over four interviews, the last two with the wife present. The first interview sells the aptitude index. The second interview explains that selling life insurance is a job of "learning and doing" and shows the prospective recruit, step-by-step, what he will be doing if he enters the business, what he will be studying, and what promotional tools the company will give him.

The third interview, with the wife present, covers the compensation sys-

tem and shows the man what life insurance does for people. It closes with the general agent giving the man and his wife the first sales talk the man will learn when he comes into the business.

The fourth interview, also with the wife present, goes over the steps fundamental to success in the job and introduces the man to what the company calls its "pre-contract plan": learning a sales talk, building a prospect list, and completing a set portion of the training course.

Speaking on the subject, "Let's Throw Away the Book and Dream," Mr. Palmer declared that the business needs new, creative, and daring thought. "I grow weary," he declared, "of being urged to do things because they are 'the industry trend.' There is nothing worthwhile which didn't start as a vision. Dreaming is an executive prerogative, and I include general agents and managers in the executive category of the life insurance business."

Mr. Palmer deplored the philosophy of "me too." "The life insurance business is scarred with competitive vagaries," he charged. "The only criterion of an action or course of action should be, 'What is good for the policyholder, the industry, and the agent?'"

One of the things the business needs, the speaker declared, is a return to the older principle of adding services, not of taking them away in an attempt to create a price advantage. "Our approach," he declared, "should be, 'What

can be added to make the policy more valuable?' not 'What can we take out to make it cheaper?'"

The automobile business, he pointed out, has proved with its costly accessories that people will buy what is attractive and what they want, not just what is low cost.

Mr. Palmer also warned that while cutting the cost of life insurance because of the size of the policy may have justification in mathematical equity, the social implications of the practice should be considered, too. "Already people are saying the life insurance business is not taking care of the small buyer and that the government will have to take over that part of the job."

"Other industries are in an era of mass merchandising," the speaker pointed out, "yet life insurance men are still plodding from door to door. We need to find some degree of automation for the agent. Why should the agent work seven days a week when labor is looking forward to a four day week? Is part of the trouble the fact that we are still asking the agent to be a clerk, an accountant, a stenographer, and all the rest instead of working out a plan that will allow him to spend 100% of his time merchandising?"

The need, Mr. Palmer concluded, is to serve all of the public, not just to be first in volume. "If we don't concentrate on that need," he warned in conclusion, "we shall have increasing competition from mutual shares, the

stock market, and the government."

The area of motivation, declared Mr. Eklund, is the one which takes the most understanding of human nature and the greatest ability in handling men, and yet is the most neglected of all major management areas. "Money," he said, "is one of the least effective motivators of men. Men will work hard for recognition, harder for a man, and hardest for a cause."

"You must accept the basic principle that men can be changed," Mr. Eklund warned, "or you'll never build men. In this business, you can't buy men as other businesses do. You have to build them. The agency head can't lean on authority for getting the selling job done. Instead, he must lead, constantly feeding men the lure of success."

Mr. Walker listed some of the devices he uses to lift sights: getting agents to analyze their own performances; helping men definitize their jobs on paper; morning visits with each man who comes into the office; monthly personal conferences with each agent, going over declined cases.

"Some of these are little things," he admitted, "but too often we overlook the little things that are important to agency success. Anything which proves to the man you are interested in him, however small a thing it is, is vitally important in agency management."

Every general agent or manager should be learning about the job of getting men to sell A&H, according to Mr. North. "Either his company already writes it, or will in the next few years. I believe every company in the industry will be writing A&H within a relatively short time."

There is nothing complicated about getting established life men to write A&H, Mr. North stated. The basic hurdle is for the manager himself, to be sold on the added service to clientele that A&H makes possible and the desperate need for disability insurance to offset loss of income.

One of the best devices for getting life men into A&H, the speaker said, is to get them to devote the commissions from it to a special purpose: college for their children, a new home, a European vacation, as examples. "Get them to use it for things they couldn't otherwise afford," he urged, "and you'll see their A&H credits climb."

"What the Marketing Institutes Have Taught Us Agents to Expect from Managers," was discussed by Messrs. Gaines and Nutt, with Walter Dotterweich, head of the insurance curriculum of Butler University, Indianapolis, as moderator.

Mr. Gaines reported that a survey among both the basic classes (averaging under a year in the business) and the senior classes (averaging over two years) on the subject of what they expect in managers revealed no significant difference between the wants of the two groups, and three broad areas in which all "wants" can be catalogued—

1) Agents want and expect active supervision. They want to be made to learn a sales talk, be made to set up and follow a time-control plan. They say they have too much freedom. They

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The COMMONWEALTH Commentary

AUGUST AVALANCHE SETS NEW RECORD!

The annual August Avalanche of Applications saw Commonwealth's Branch Office Agencies surpass all previous records.

Sales exceeded the quota by 41.2%—exceeded the 1954 Campaign by 32.6%!

Congratulations to all Branch Office Agencies for this splendid performance. And a special tip of the hat to our Southern Indiana Branch for leading the parade!

INSURANCE IN FORCE, September 1, 1955—\$860,499,227



COMMONWEALTH
Life Insurance Company

HOME OFFICE • LOUISVILLE, KY.

Rogan Succeeds Vande Zande as Wis. Commissioner

MADISON—Alfred Vande Zande, Wisconsin insurance commissioner since June, has resigned for health reasons, and Paul Rogan, 37, Republican floor leader in the Wisconsin senate, has been named to succeed him. The new appointment has already been confirmed.

Mr. Rogan will resign Nov. 1 as a senator to take over the \$10,000 a year job for the balance of the term ending June 1, 1959.

Both the resignation of Mr. Vande Zande and the appointment of Mr. Rogan came as surprises. Mr. Vande Zande was known to have been in poor health, and spent some time in the hospital here in December and again this summer just before taking over as commissioner. Mr. Vande Zande, who was a local agent and president of Campbellsport Mutual Fire until becoming commissioner, was named to succeed John Lange, a career

man in the insurance department who has since applied for his state pension.

Mr. Rogan, whose appointment was commended by Wisconsin Assn. of Insurance Agents in a resolution adopted at the annual meeting last week in which Gov. Kohler was congratulated on "the wisdom of his choice," has no insurance background. He has been a legislative lieutenant of Gov. Kohler and steered the governor's legislative program through the senate in the last term. Mr. Rogan at one time sold some life insurance on a part-time basis, but his main occupations have been as a feed store and hatchery proprietor and more recently as the owner of a beauty shop and as public relations representative for a big north-western Wisconsin cooperative creamery.

Prudential Promotes Perlman

Louis C. Perlman Jr. has been promoted to division manager at Prudential's Minneapolis ordinary agency.

Connecticut Mutual Life held its annual cashiers' conference at the home office for 18 general agency cashiers from throughout the country.

Atlantic Offers A&H Plan for Women Only

Atlantic Life has introduced a new A&H income protection plan exclusively for business and professional women and has liberalized benefits and provisions in all other plans.

The A&H policy, named Princess Anne, is similar in most respects to those issued to business and professional men. It covers all sicknesses except those incidental to pregnancy. House confinement is not required. A choice of 12 or 24 months' sickness benefits plus lifetime accident benefits are provided. There are double benefits for automobile or travel accidents.

Atlantic has liberalized underwriting rules on all policy forms to increase the maximum monthly indemnity in occupational classes AAA and AA to \$400 and to accept monthly premiums on all loss of time and hospitalization policies with a minimum monthly premium of \$7.50. The company feels these changes are in line with its growth plans and provide the opportunity for more up-to-date service.

To Honor Johnson on Retirement as N.J. Deputy Commissioner

After 44 years of service with the New Jersey department, Deputy Commissioner Benjamin B. Johnson is retiring. Commissioner Howell is chairman of a general committee arranging for a testimonial dinner to be given in Trenton Oct. 31.

The affair is expected to attract a great many leaders in the insurance business because of Mr. Johnson's wide acquaintance and the high regard and respect in which he is held. There will be several brief testimonial speeches by insurance people, one of them being President Richard B. Evans of Colonial Life, who will speak for the life insurance business.

Mr. Johnson entered the insurance department at Trenton as a clerk in 1911. After service in the first world war he rejoined the department as chief clerk in 1919. In 1926 he was made assistant deputy, in 1943 special assistant deputy and chief of the rating section, and in 1951 deputy commissioner in charge of the insurance division.

Sylvester C. Smith, general counsel of Prudential, is treasurer of the general committee. Other life insurance men on the committee, which comprises a number of persons from the department and the insurance business, are Mr. Evans, President Ralph R. Lounsbury of Bankers National Life, President H. Bruce Palmer of Mutual Benefit Life, President William S. Frank of Progressive Health & Life, and President Philip A. O'Neil of Interstate Life of Newark.

Hancock Appoints Two

John Hancock has appointed Jason S. Day and John H. Chamberlin general agents at Phoenix and Seattle, respectively.

Mr. Day, whose new Phoenix office at 317 North Central avenue will serve the entire state, is the first general agent appointed in Arizona. The company has been represented in the state by the San Diego and Los Angeles agencies.

Mr. Day, who entered the business at Phoenix in 1950, has been agency supervisor at Detroit for the past year.

Mr. Chamberlin succeeds Hans O. Clasen who has resigned to enter the property management field in Seattle.

Mr. Chamberlin entered the business in San Francisco and, after the second war, served John Hancock as a group sales and service representative in that city and later as a group supervisor and assistant general agent at Seattle.

D.C. A&H Men Elect Decker

District of Columbia A&H Assn. has elected Lloyd M. Decker of Educators Mutual president, Harold Kime of Sterling vice-president, Dan Sullivan Jr. of Insurance Inspection Bureau secretary, Pinckney Richardson of Paul Revere Life secretary, and Joseph Bel-fiore of World, Frank Busbee of Paul Revere Life, Frank Carbo of Mutual Benefit H&A, and Ralph Benso of World executive board members.

THE FLEXIBLE FIVE-STAR

LNL agents like to prescribe the flexible Five-Star Annuity for doctors, lawyers and others who must provide their own old-age income.

Optional maturity dates enable the policyholder to start his income early or late—anytime between ages 50 and 70. This flexibility brings definite tax advantages. And life insurance protection is provided by this low net-cost participating policy, in addition to the annuity benefits.

Lincoln National's flexible Five-Star Annuity is another reason for our proud claim that LNL is geared to help its field men.

THE
LINCOLN NATIONAL LIFE
INSURANCE COMPANY

Its Name Indicates its Character

Fort Wayne 1, Indiana

50th ANNIVERSARY - 1955

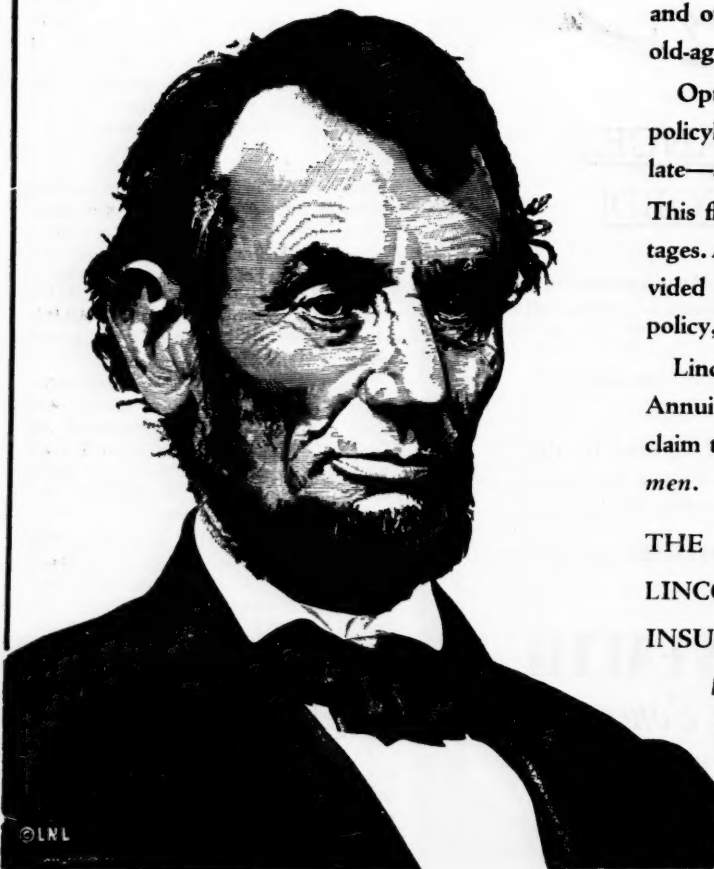
INSURANCE STOCK SPECIALISTS

Wood, Struthers & Co., Inc.

Established 1905

J. William Middendorf

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Telephone - WHitehall 3-7474



AMA INSURANCE CONFERENCE

Variable Annuity Lets Retired Worker Share in Economy's Growth: Greenough

The variable annuity, based on equity investments, for the first time makes it possible for large numbers of retired people to participate directly in the growth and productivity of the American economy, said William C. Greenough, vice-president of Teachers Insurance & Annuity, in a talk prepared for delivery at the insurance conference of American Management Association held in Chicago this week.

Teachers has had the longest experience with the variable annuity, having organized College Retirement Equities Fund as an affiliate in 1952 to provide variable annuities for college personnel eligible for insurance in Teachers.

Mr. Greenough said that in the 40 months since CREF was established it has grown to \$25 million in assets with well over 500 colleges permitting their staff members to participate and with a rapidly growing group of individual participants, now exceeding 23,000. Accumulation units in CREF, representing the share owned by persons currently paying premiums, were worth about \$10 for the first 1½ years of CREF's existence and now have risen in value to around \$17.

If a college has approved participation in CREF, each staff member may elect to put one-quarter, one-third or one-half of his total annuity premium in CREF, the balance going into a guaranteed dollar annuity in Teachers. Thus far, nine out of 10 participants have elected to put the maximum percentage permissible into CREF.

How do the results compare thus far as between fixed-dollar and variable annuities? Mr. Greenough said that an individual who paid a single premium for a \$50 a month annuity in Teachers and an equivalent annuity in CREF when it started operations in July, 1952 would have had this experience: For the annuity year 1952-53 the CREF income would have been \$50 while of course the Teachers annuity would have paid the guaranteed \$50 for a total annuity income of \$100. In the next year the CREF income would have gone down to \$47.30, which, combined with the fixed Teachers income of \$50, would have provided a total annuity income of \$97.30. In the third year the CREF income would have gone up to \$53.70 for a total annuity income of \$103.70 while in the annuity year 1955-56 the CREF income would have increased still further to \$70.55 for a total annuity income of \$120.55.

Mr. Greenough pointed out that during the first half of this century common stocks showed an average annual yield of 4.9% and an average annual capital growth of 2.3% for a total growth of 7.2%. In some years and periods the gain was much larger while in others where was substantial capital loss.

During the last 20 years the performance was, of course, even more startling: The yield on common stocks averaged 5%, capital gains 5.5% for a total growth of 10.5%. Meanwhile the cost of living rose from 58.7% in 1935 to 114.5% in 1954, having increased in every year except for fractional declines in 1938, 1939 and 1940.

"A variable annuity based on average common stock performance, cou-

pled with a traditional fixed dollar annuity for added protection during deflation would have given our retired people remarkably secure protection during all phases of economic activity," Mr. Greenough commented.

The speaker emphasized the point that not only inflation but price rises

due to economic expansion make the variable annuity desirable.

"Materially higher standards of living will literally be thrust upon us in America in coming years," he said. "If we are successful in maintaining full employment, Americans should be living 30% better than they now are by 1965, 70% better by 1975. This is a truly fantastic rate of progress. Are we to exclude our retired people from their appropriate share of this increase in the standard of living or will we make some portion of it available to them? Because of the danger

of inflation, fixed-dollar retirement plans do not even assure our older people of a stable or satisfactory standard of living, let alone an increasing one.

"By establishing CREF we hope to make some of this expected increase in living standards available to college professors. This they can have by participating in the College Retirement Equities Fund, which invests their retirement savings in the common stock of General Motors, General Electric, Standard Oil of New Jersey,

(CONTINUED ON PAGE 18)

You don't have to **MOVE OUT**

to **MOVE UP**

under
General American Life's
step-by-step

LSF TRAINING PROGRAM

Promotion from within and the "multiple agency" system, makes it possible for men to become agency managers *right in their own communities.*

The LSF Training Program is available to men between 25 and 40 who have had at least two years as successful soliciting agents in the life insurance business, are without further military obligation, and have an aptitude and desire for agency building.

For detailed information write to:

Frank Vesser, Vice-President

**General American Life
INSURANCE COMPANY**

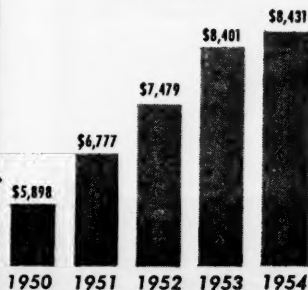
One of the nation's leading mutual legal reserve companies

St. Louis, Mo.



General American Life has shown a steady increase in the size of individual policies during the past five years, thus providing greater income opportunities for its representatives.

INCREASE IN THE AVERAGE SIZE
ADULT POLICY



THE COUNTRY'S MOST FRIENDLY COMPANY OFFERS . . .

- Modern and attractive agent's and general agent's contracts to those looking for a permanent connection.
- Complete line of Life Insurance policy contracts from birth to age 70 with full death benefit from age 0 on juvenile policy contracts.
- Complete line of Accident and Health policy contracts with lifetime benefits.
- Individual and Family Hospitalization contracts.
- Complete substandard facilities.
- Educational program for fieldman.

Strong, Progressive Company
Older than 85% of all legal reserve life insurance companies

COMPANY'S EXPANSION PROGRAM OFFERS
Openings in California, Illinois, Indiana, Kansas, Michigan, Minnesota,
Missouri, Nebraska, New Jersey, North Dakota, Ohio and Wisconsin

NORTH AMERICAN LIFE INSURANCE COMPANY OF CHICAGO

R. D. ROGERS, C.L.U., DIRECTOR OF AGENCIES
NORTH AMERICAN BUILDING, CHICAGO 3, ILLINOIS



Our hat's off!

. . . To the 124 members of our 1955 President's Club . . . a select group of Connecticut General field people with outstanding records in performance and in quality of service to clients.

Thirty-two are life and qualifying members, having earned this honor for ten or more years. And forty have earned it five or more times. It's an outstanding record . . . and an outstanding group.

We take our hats off to them.

Connecticut General
LIFE INSURANCE COMPANY, HARTFORD

Recodification of Michigan Insurance Code is Completed

LANSING—Work has been completed on a proposed recodification of the Michigan insurance laws and it is anticipated a bill embodying the rewritten code will be introduced early in the 1956 legislative session.

Robert Williams, Seattle attorney who framed the Kentucky, Washington, Arizona, and Puerto Rican codes and did much work on others, prepared the recodification. Commissioner Navarre, who named an all-industry committee more than a year ago to direct the recodification, said the revised code does not constitute any new legislation in its present form but merely systematizes, simplifies, and puts into modern phraseology the provisions of the existing laws.

The commissioner said the committee, headed by John Panchuck, counsel for Federal Life & Casualty and a former assistant attorney general and legal advisor to the department, has prepared a brochure explaining what has been accomplished. All segments of the business are represented on the special committee and it is anticipated that legislators will be given a blanket endorsement of the rewriting job by the industry.

It was emphasized by the commissioner that the recodification does not pretend to amend or revise any existing laws but sets up the framework suitably for anticipated modernizing amendments likely to be submitted at a later session when the industry has had opportunity to review the new code.

The existing code, it was noted, is a hodgepodge of legislation dating back as far as the 1860's, the bulk of which, however, was enacted in 1917 when there was a general overhauling of the insurance laws. Most insurance legislation over the years, it was noted, was introduced and adopted with a view to caring for some specific situa-

tion or need, with little or no relation to the body of laws already on the statute books. Thus conflicting and contradictory provisions now exist, together with many ambiguous passages which require constant legal interpretation with the consequent uncertainty as to how conflict or confusing language will be resolved.

After Protests Against Producer Loyalty Oath Rule, Holz Withdraws It

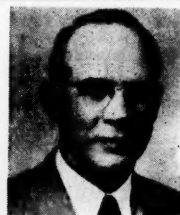
After putting into effect a ruling that applicants for agents and brokers licenses in New York state had to swear that they were not members of any of the 130 organizations that have been listed by the U. S. Attorney General as communist or fascist, the New York Insurance department discontinued the requirement.

In the meantime insurance workers of America CIO, American Jewish Congress and New York Civil Liberties Union protested to Gov. Harriman. S. C. Vladeck of the Civil Liberties Union, said there was serious doubt being members of Ku Klux Klan or the communist party had any bearing on the business of being an insurance producer.

In withdrawing use of the subversive organization questionnaire for license applicants, Insurance Superintendent Holz said that he wished to reconsider the question of whether the rule is one which should have legislative sanction before adoption.

Gold Sees No Increase in A&H Rates in N. C.

Commissioner Gold of North Carolina says he has seen no evidence so far of a move to increase A&H rates or for a general withdrawal of companies because of the new A&H law which requires notice before terminating a policy. He said that so far only one company has notified his office it will withdraw from the field. This was Federal Life of Chicago, which had only a negligible amount of business in the state.



Walter S. Phelps, Detroit,
ONLI's Man-of-the-Month

**Behind
This
Leader
Stands
Another**

Walter S. Phelps, Associate General Agent of the Brennan-Detroit Agency, believes that records are made to be broken. To prove it, Walter garnered top production and Man-of-the-Month honors for a second time. A consistent qualifier for the Ohio National's Leaders Club, he has maintained a persistency rating of 95-100% and has earned the National Quality Award designation in each of the past 5 years.

Walter Phelps will go on to new honors and higher achievements as have other top producers in our organization. We are proud, naturally, that men like Walter, who are The Ohio National in the field, consistently seek out new opportunities and make the most of them.

It's no coincidence that these men have helped make The Ohio National one of the industry's leading companies.

THE Ohio National LIFE INSURANCE COMPANY
CINCINNATI

Fidelity Mutual Sales Set Records

CITES AGENTS' INFLUENCE ON CAPITAL

If life companies are the most important financial institutions through which individual savings are channeled into industry, trade, construction and home building, it is the effort of agents which makes this result possible, President Ellsworth A. Roberts of Fidelity Mutual Life told 400 agents and general agents at the company's four-day convention in Atlantic City.

"Little of the great progress we are making in this country could happen without the powerful influence you exert on the supply of capital through insurance savings," Mr. Roberts said.

The field force set a new record for each month in 1955 and for the year to date. Compared with last year, paid business through September is up 121.2% and is 5% ahead of comparable companies in the U. S., he said.

Luther R. Hocker, Philadelphia, who spoke in a panel on programming, held up a looseleaf binder, his own personal life insurance program. "Each time I open this book in front of a qualified prospect, I know from my records that I will earn \$281.35," he said.

Willis P. Brown, Chicago, brought out the importance of the first interview which establishes the prospect's needs and qualifies him.

R. J. Kistler, Philadelphia, told how he uses three graphs through which his programs are visualized. Programming makes a man a client instead of just a policyholder, and it is easy to go back later to continue the completion of his program, he said.

H. S. Smith Jr., general agent at Tampa, reported 94% of his programming sales have resulted in repeat sales which were twice the size of his package sales. He stressed constant follow-up of policyholders.

The panel was introduced by W. M. Churchman Jr., assistant manager of agencies.

The convention theme, "cliente building," was developed by a panel consisting of D. A. Stewart, Chicago; E. Clark Worrell Jr., Camden; and Daniel P. Kreer, Chicago. They agreed that cliente building begins right after the sale and involves a willingness to do programming and estate analysis for young men and small buyers. They recommended repeated mail contacts with clients and continued study by agents.

D. L. Fortunato, Chicago; W. G. Adams, Miami; R. J. Sellec, Detroit; A. D. Pierce Jr., Wilmington; and W. D. Jordan Jr., Philadelphia, told how their methods develop cliente.

Hans Guenther, general agent in New York City, introduced a panel on prospecting. M. B. Lamar Jr., Philadelphia, told how he secures referred leads when he delivers a policy. D. L. Cottrill Jr., Atlanta, explained how he finds prospects beyond people with whom he discusses insurance. J. J. J. Kelley, Washington, described profitable means of service and stressed the value of "move-in" cards. Paul Wech-

sler Jr., Philadelphia, told how he obtains 80% of his business through daytime selling.

H. S. Redeker, general counsel, outlined settlement options and how to use them.

Participants in a forum on "advanced underwriting" and their topics

were: Mr. Redeker, life insurance opportunities under present day tax laws; George N. Charuhas, Miami, prospecting and approach for business insurance cases; Raymond M. Dunkle, Chicago, prospecting and sales procedure for partnership cases; Elmer Pounds, St. Louis, life insurance for stock purchases; and Martin E. Kohn, Philadelphia, corporate purchase of \$5,000 of life for key men.

CLU keys and diplomas were presented to Harold H. Ames, St. Paul,

and E. H. Meyers Jr., Detroit. A special library of life insurance books, presented by General Agents Assn. at each convention to the agency showing greatest increase in convention qualifications, was awarded to Wilmington where M. S. Alexander is general agent.

Frank Bettger, Philadelphia, told "How I Multiplied My Income and Happiness in Life Insurance Selling."

C. L. Pontius, vice-president—insurance, closed the convention.

POINTED at the needs of...



The Businessman

This brand-new policy is ideally suited to provide protection against a temporary business need. It offers the life insurance you need at a minimum rate.



The Young Family Man

This low-premium policy is designed for the young family man just getting started in his career — when life insurance needs are greatest and his budget is limited.

**New MONY
'TMT' Policy
offers \$10,000
of Life Insurance
at an initial rate of
Only 16¢ A Day!**

(BASED ON AGE 30)

HIGHLIGHTS OF THE "TEMPORARY MODIFIED TERM":

- Sold in amounts of \$10,000 or more.
- Can be converted at any time during the 5-year period to the same amount of permanent insurance . . . without further evidence of insurability.
- Sample gross premiums, dividend illustrations and illustrative average net cost for \$10,000:

At Age 30

First year
Second year
Third through fifth years

Gross Premium

\$57.20
\$57.20
\$82.70

Illustrative Dividends*

None
\$25.50
\$25.50

(payable at end of 2nd and later policy years)

Illustrative net cost averages \$52.10 a year

At Age 40

First year
Second year
Third through fifth years

\$83.90
\$83.90
\$116.60

None
\$32.70
\$32.70

Illustrative net cost averages \$77.36 a year

*Dividend illustrations are in no sense guarantees or even estimates of future dividends, which must depend on future experience and the annual action of the Company's Trustees.

INQUIRIES FROM BROKERS INVITED



MUTUAL OF NEW YORK

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK
Broadway at 55th Street, New York 19, N. Y.

Life Insurance—Accident and Sickness—Hospitalization—
Retirement Plans . . . FOR INDIVIDUALS AND EMPLOYEE GROUPS

MONY TODAY MEANS MONEY TOMORROW!

HIC HOLDS ANNUAL

Uniform Health Claim Form Gains in Popularity

Increasing company use of uniform claim reporting forms in connection with health insurance was reported at the annual meeting of Health Insurance Council in New York, presided over by Chairman John H. Miller, Monarch Life.

The forms, applicable to all types of health insurance policies, have been endorsed by American Hospital Assn. and American Medical Assn., as well as the council. A booklet describing the form is now being prepared and will be distributed among A&H companies represented in the council, as well as physicians and hospitals, according to Carroll McBride, Travelers, chairman of the forms committee.

Dr. W. H. Scoins, Lincoln National, chairman of the medical relations committee, said a speakers' kit for home office and field use is nearly completed. A modification of the identi-

cation and claim form for group, designed for use with extended medical care coverage, has been released by the hospital relations committee, Howard Moreen, Aetna, chairman, reported. The admissions programs for individual hospital insurance policyholders are operating in five cities and additional programs are being set up.

A two-year study of the uniform nomenclature schedule for surgical procedures is nearly complete, M. D. Miller, Equitable Society, chairman of the technical advisory committee, announced. It will be released to insurers and other interested groups shortly. The schedule concerns only a uniform listing of surgical procedures, together with descriptive lay terms, and does not involve fee amounts.

Increased use of the survey on A&H coverages by both the daily and the medical-hospital press was reported by Henry Locke, Liberty Mutual, chairman of the survey committee. A. E. Weaver, John Hancock, information and publications committee chairman, said the council will have ready for distribution by the end of the year a series of three pamphlets on health insurance.

Judson N. Y. Life V-P; Two Other Investment Executives Promoted

New York Life has advanced Everett G. Judson, 2nd vice-president since



Everett G. Judson

1953, to vice-president in the investment department and has promoted William F. Young to 2nd vice-president and Richard G. Woodbridge III to assistant vice-president, also in the investment department. Mr. Judson joined New York Life as a railroad securities statistician in 1938. Mr. Young, a lawyer, joined New York Life's legal department in 1941 after serving as assistant U.S. attorney at New York. He was named assistant vice-president in 1951. Mr. Woodbridge joined New York Life in 1949 as an industrial specialist. He heads the investment department's atomic energy committee and has been an executive assistant since 1954.

Old Republic Declares Extra

Directors of Old Republic Credit Life at their October meeting declared the regular cash dividend of 10 cents plus 10 cents extra per share, payable Nov. 1 to holders of record Oct. 21, as well as a special cash dividend of 20 cents per share, payable Dec. 15 to stock of record Oct. 21.

Action also was initiated to effect a 10% stock dividend. Capital presently is \$1,176,120. If the anticipated stock dividend is declared it will mean such action has been taken for the fourth consecutive year.

Call Cal. Hearing on Tie-in Sales

The "tie-in" sale of life insurance with investment trust shares and other securities will be considered at a public hearing called by the California department for Nov. 14 at San Francisco.

Some months ago, according to Commissioner McConnell, the department issued about 115 certificates of convenience to persons employed by Investors Diversified Services as security salesmen. The certificates were issued routinely upon receipt of applications from the persons, who were already licensed to sell securities.

Subsequently daily newspapers reported the department had approved a new kind of insurance, though Mr. McConnell said the reports were false. Recently certain organizations have requested an opportunity to present reasons why permanent insurance licenses should not be issued to persons who are primarily investment salesmen.

Mr. McConnell said the hearing will be informal.

Deputy O'Connell to Retire in Mass.

First Deputy Commissioner O'Connell of Massachusetts will retire Oct. 31 under the state's compulsory retirement system. Mr. O'Connell was recently 70. He has been with the department 37 years.

He joined the insurance department in 1919, was an examiner 15 years, became a deputy in 1932, second deputy in 1938 and first deputy in 1953. He has been active in the development of multiple line supervision and has also acted on the admission of new companies, charter amendments and policy approval.

Introducing FLEXIBLE, LOW COST Supplemental Term

Here is the ideal contract for that client of yours whose need for permanent insurance has outstripped his present ability to pay. With *low cost* Supplemental Term added to one of our whole life plans, he obtains immediately the total coverage required with the option of placing it all on a permanent basis in easy stages.

A, B, C's of the new Rider

A VAILABLE in amounts as high as twice the basic policy.

B ASED on low extra premium for seven year period with option of renewal at end of period.

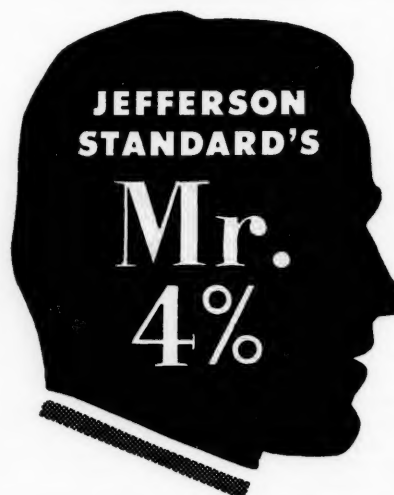
C ONVERTIBLE without evidence of insurability. Another important feature is the privilege of converting in part.

Our Branch Offices in the following cities will gladly give you complete information on Supplemental Term

BALTIMORE • CHICAGO • CINCINNATI • CLEVELAND • COLUMBUS • DETROIT
HARTFORD • HONOLULU • LANSING • LOS ANGELES • MINNEAPOLIS • NEWARK
PHILADELPHIA • PITTSBURGH • PORTLAND • SAGINAW • SAN FRANCISCO
SEATTLE • SPOKANE • WASHINGTON, D.C.

THE
MANUFACTURERS
INSURANCE **LIFE** COMPANY

81-55



Over \$1.3 Billion
Insurance
in Force

Says!

"Jefferson Standard policies pay up earlier than comparable competitive

plans. The 4% interest now being paid on dividend accumulations helps to make this possible. To persons planning a life insurance program, the years of required payments are an important factor—yes, 4% makes a big difference."

Jefferson Standard
LIFE INSURANCE COMPANY Home Office: Greensboro, N.C.

TOP OFFICERS RESIGN

Department Man Takes Over as National Union V-P

MIAMI—The resignation of President John P. Riddle and three other top executives of National Union Life and the naming of William W. Downs as executive vice-president and general manager are the latest developments in the recently hectic career of this Miami-based Alabama company.

According to Deputy Insurance Commissioner Rountree, National Union's directors agreed to Mr. Downs' appointment under an "iron-clad contract covering his employment and putting him in complete charge."

Basil P. Autrey resigned as executive vice-president and general manager and as a board member.

J. Stewart Peoples resigned as secretary-treasurer and was succeeded by James Turner, former assistant treasurer.

Kenneth E. Benson resigned as vice-president but no successor has been named.

Mr. Downs said there probably will be other personnel changes as he brings in trained insurance executives to fill key posts.

Mr. Downs has for more than five years been a senior examiner in the life division of the Florida insurance department. His first act was to issue a statement assuring National Union policyholders that the change in management will not affect them adversely and that tentative financial statements prepared by a Miami accounting firm and the department indicate that the company is solvent. Complete financial statements will be available within the next few weeks, he said.

"One of the reasons I agreed to undertake this job is that I am firmly convinced that those who have major investments in this company will see it through this temporary difficulty, which has arisen mainly because of National Union's phenomenal growth," he said. The company now has more than \$57 million insurance in force.

Deputy Commissioner Rountree said that Mr. Downs has the "complete confidence and backing" of Commissioner Larson and a majority of the National Union board of directors.

Changes in National Union's top management followed closely a Washington announcement that the securities and exchange commission had

moved against the company, issuing an order charging that it had issued a "false and misleading" circular last March in connection with an offering of 5,000 shares of its \$1 par stock which sold at \$38 a share.

The SEC revoked an exemption it had granted of registration of the stock. SEC Regional Director William Green said the effect of the order would be to open the way for any buyer of the stock to take civil action to rescind the sale and recover damages, if any.

The company denied the SEC charge, noting that all 5,000 shares had been

bought by National Union stockholders, who had not complained.

Mr. Downs declined to comment on reports that he will drop the company's \$10 million libel suit against Florida Assn. of Life Underwriters and four of its leaders. Neither would he comment on what he will do about two other suits the company has filed in state courts.

One of these is for an injunction to restrain the Dade county grand jury from continuing its investigation of National Union. The other is an injunction proceeding against Commissioner Lar-

son, who has ordered the company to stop advertising itself as a Miami and Florida company. It is actually chartered in Alabama, though it moved its main operations to Miami in 1952.

Klepeter Actuary of Companies

Ernest H. Klepeter has been appointed actuary of Mutual Service Life and Mutual Service Casualty, effective Dec. 5.

Since 1947 he has been actuary for Mutual Service Life and previously was in the actuarial department of Minnesota Mutual Life.

DOES IT PAY?

Insurance agents are no more indifferent to advertising than the rest of the public. They are influenced by all of it that they read in newspapers and general magazines, and there is no reason to believe they are not influenced by the advertisements they read in *The National Underwriter*.

People buy Colgate Tooth Paste, Wrigley Chewing Gum, Goodyear Tires, Coca Cola and Chesterfield Cigarettes, not because these products are "the best," but because they are advertised so constantly the public unconsciously accepts the idea that they are superior.

That is the whole principle behind any advertising. The reading public very largely believes you are what you say you are, and if you say nothing you are nothing, or very close to nothing, in the public mind.

On the other hand, regular, steady, carefully planned advertising can be made so potent that an insurance company with no more to offer than can be provided by most other companies can, nevertheless, acquire a considerable amount of prestige with agents through trade paper advertising.

It can convince the rank and file of agents that it is "better"; that it is "different"; "live"; "dependable"; "friendly"; that its service is superior, and all the rest of it.

In other words, advertising in *The National Underwriter*, which is read by agents everywhere, can make and maintain a favorable reputation for a company. In order to acquire such prestige, a company does not have to be the oldest, the largest or the best, but it does have to advertise consistently and intelligently. Such advertising breaks down the barriers and paves the way to desirable agency appointments—appointments of the kind that are impossible to the unknown, unadvertised companies.

Advertising in *The National Underwriter* can do all this, is doing it every week, and still there remain some home office executives who ask "Does it Pay?"

The NATIONAL UNDERWRITER

Largest Circulation of Any Weekly Insurance Newspaper



Number 31 of a series.

TURN PROSPECTS INTO POLICYHOLDERS...

Help your prospects and clients to adequate life insurance, with proven-successful Zell Thrift Banks. The mechanical magic of a coin-a-day makes it easy to save... easier to close more business.

Leading Home Offices, Agencies and successful Underwriters use and endorse Zell Coin Banks and Selling Plans. Profit with them NOW!

Write for literature. Dept. NU

ZELL PRODUCTS CORP.

222 MAIN ST. NORWALK, CONN.

ZELL COIN-A-DAY WAY TO PAY!



Duties of Management Are Scrutinized

(CONTINUED FROM PAGE 3)

need more rules to guide them.

2) Agents want leadership. They want to be able to look up to the manager. They want ego recognition. They want counsel, not only in business matters, but in personal matters as well. Often the thing that is throwing an agent is personal, not business.

3) Agents expect knowledge and competence in their managers. They expect the manager to be a technical expert. Managers have to stay ahead of their men in knowledge of the business if they are going to keep them.

Mr. Gaines also listed three things he said a survey of SMU records show agents should have from managers, whether the agents realize it or not:

1) More supervision.

2) More exposure.

3) More knowledge. To pass the quarter-million mark, a man must write a percentage of his business in \$15,000-and-better cases. He can't write them unless he understands advanced programming, estate-planning, and business insurance.

Speaking on the same subject, Mr.

Nutt declared that the thing agents want from managers most is help with selling ideas. "I'm convinced that behind every successful agency is a master salesman," he declared. "The managers who are on the top of the heap are those with extra sales ideas to pass along, particularly ideas on how to sell the better prospects. The manager must learn to capitalize on outside influences that create the need for life insurance."

Selection and training are important to the job of agency management, Mr. Purser declared, but it is supervision that builds agents and keeps them. "We are expecting a lot if we expect the average recruit, who has been directed throughout his educational career and work career to date, to suddenly become his 'own boss.' He must be taught how to be his own boss, and it is the job of supervision to lead him into it by gradual stages."

Mr. Purser outlined the areas in which his agency concentrates its supervisory effort: work requirements, growth and developmental procedures,

and promotional programs and devices such as contests, targets, and clubs.

The speaker also named joint work as an educational tool. Joint work, he declared, also saves supervisory time because it often salvages a dying man. "We feel that the man we are supervising is the most important man we have," he said. "If we lose him, then we have to go back through the long process of recruiting and training a man to replace him. We never give up a man without a concentrated program of joint work first, and with such work, we have salvaged some of today's strongest men who were one-time on the verge of going out of the business."

Mr. Pritchard, who is a trustee of NALU and chairman of its state law and legislation committee, spoke on "The Legislative Outlook for Our Business." He expressed a fear of the spread of city license and premium taxes, which he termed "an inequitable addition to the cost of life insurance." He urged that the business give more attention to "the warped use of credit insurance to increase the lender's profit without violating the laws on usury." NALU, he stated, believes that no commissions, fees, or any other form of profit should be paid lenders or any employee of a lender.

The tie-in sale of life insurance with mutual funds does not seem to be spreading very fast, the speaker reported, stating, "In fact, some companies which went into it are finding that it is too often a dumping ground for uninsurable risks."

Mr. Pritchard foresaw an all-out drive to raise the tax base for social security to \$6,000; and he warned that any system of social security disabil-

ity benefits might find that in some period of future recession, such benefits might be looked upon as a retirement fund by unemployed workers.

Mr. Mills pointed out several key markets:

1) Markets increased by changes of income. In 1941, he reported, there were 100 buyers earning over \$3,000 a year for every field man; today there are 350.

2) Markets based on population change. "The juvenile market today is as it never was before," he declared, "and whether you sell a juvenile policy itself or wind up selling the insurance on the father, juvenile is an excellent approach. Surveys show that six out of every 10 families with new children buy more insurance, either on themselves or the child, before that child is 18 months old."

3) The market for programming. The increased birth rate and the increased number in each family makes the programming market a good one because each new child is a ruined program.

4) Men 55 and older. Company records show, he declared, that the largest average-size policy, about \$14,000, is purchased by this age group, and yet it is one the average agent never touches.

5) The market among women 50 and over. Today, he said, women constitute one-third of the labor force, and the percentage is rising. By 40 a woman knows whether she is going to be a "career woman" or not and is eager to talk about savings and retirement plans.

6) "Wife insurance is the most untold story of all times," Mr. Mills charged; "yet many a wife is more worried about who would take care of the family if something should hap-

EXTRA

Postal Revises Contracts!

Biggest News From Postal In Years!

President George Kolodny, in announcing the liberal new plan of offering "Lifetime renewals" and free group insurance to our fieldmen, said that "this is another big step for Postal. And there are many more to come!"

"The new contract," he said, "is unique in that it incorporates career features into our present Agents' contracts with no change in the liberal vesting of renewal commissions."

"We know that the reaction of our Fieldmen to this new contract will be most enthusiastic."

Contracts Now Give—
"Lifetime Renewals!"
Free Group Insurance!
For all Postal Life Agents,
Brokers, Surplus Writers,
and part time Agents!

Contact Your Nearest
POSTAL General
Agent Today!

POSTAL LIFE

511 FIFTH AVENUE NEW YORK 17, NEW YORK
GEORGE KOLODNY, President



Bill Nalac's CORNER

"Yours to keep to 65" is the modern sesame that opens the door wide to sales for our new President's NON-CAN S&A policy. It is also the sesame that can be depended upon to bring in those precious renewal premiums with a minimum of reselling. For certainly any wise income earner will think a long, long time before he lets go of a contract that provides a wonderful guarantee like that along with so many others.

NORTH AMERICAN

Life and Casualty Company

HOME OFFICE: MINNEAPOLIS, MINNESOTA

H. P. SKOGLUND, President

J. E. SCHOLEFIELD, Vice President—Director of Agencies.

LIFE • ACCIDENT • SICKNESS • HOSPITAL • GROUP



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pen to her than she is about how she
would get along herself if widowed.

7) The mortgage insurance market.
Mr. Mills pointed out that today, there
are not only more mortgages, but also,
mortgages are for larger amounts and
longer durations. He also urged com-
plete protection through the sale of
mortgage disability insurance as well
as mortgage life insurance.

8) Market for A&H on employees.
This field has been made much more
attractive by the fact that premiums
paid by the employer no longer have
to be reported as additional income by
the employee, the speaker reported.

9) The split-dollar plan market.

10) The business insurance market,
especially among the small business
men, two-thirds of whom have never
heard of business life insurance and
all of whom are the easiest business
proprietor to approach.

Mr. Osler, reviewing the highlights
of each talk, said that the one com-
mon factor which runs through all
successful general agents and manag-
ers is the quality of sincerity. "They
differ radically on methods of opera-
tion. One runs continual contests; an-
other abhors contests. One urges joint
work; another considers joint work a
crutch. One insists on the use of direct
mail; another believes it weakens an
agent. On no one, single thing is there
unanimity among them, save in their
common belief that life insurance is
the greatest business in the world
and their feeling of obligation to the
agent—an obligation that they see as
requiring sacrifice of their own mon-
ey and their own desires, if neces-
sary, to build and develop men.

"Despite all the roadblocks we run
into, despite the clouds on the hori-
zon, I believe that as long as we
have this common factor among the
men of field management, the future
of the life insurance business is limit-
less," he concluded.

Mutual Benefit Life Publishes Booklet on History of Company

Mutual Benefit Life has published a
28-booklet entitled *We Pursue Our
Course*, a history of the 110-year-old
company. It is illustrated with photo-
graphs of Chairman W. Paul Stillman,
President H. Bruce Palmer, the six
previous presidents, and drawings. It
is being distributed to people in the
company and to others interested in
it.

Contest Brings Record Sales

Washington National has completed
its most successful sales drive a two-
month "knock on doors - and sell" con-
test, exceeding by 38% production for
the best previous similar period. Hun-
dreds of merchandise prizes will be
awarded.

ACTUARIAL POSITIONS

These positions are now open. Many
with no fee. Of course, all inquiries
are confidential.

Associate Actuary	Ohio	\$12,000
Life Actuary	South	12,000
Life Actuary	Cal.	10,000
Life Actuary	Texas	8,500
Asst. Actuary	Ind.	7,500
Asst. Act. Pension Dept.		7,000

FERGASON PERSONNEL

330 S. Wells St. Chicago 6, Ill.
HArrison 7-9040

Name Executive Council of Medical Directors

In addition to Dr. Ralph R. Simmons,
Equitable Life of Iowa, who was
elected president of Assn. of Life
Insurance Medical Directors of Amer-
ica, and other officers who were listed
in the Oct. 20 issue of THE NATIONAL
UNDERWRITER, the following executive
council members were chosen:

Dr. Arthur E. Parks, Canada Life,
Dr. J. Randolph Beard, Mutual Ben-
efit Life, and Dr. James H. Humphries,
Home Life, all to a second term; Dr.
Frank J. McGurl, southwestern home

office of Prudential, Dr. Frank A.
Warner, John Hancock, and Dr. Rex-
ford W. Finegan, Metropolitan Life, all
to a first term.

Elected to the board of life insurance
medicine were Dr. D. Sergeant Pepper,
Connecticut Mutual Life, Dr. Archi-
bald C. Wilson, Connecticut General
Life, Dr. John E. Boland, Country
Life of Chicago, and Dr. David L.
Selby, Imperial Life.

Names Manager for New Building

Commonwealth Life has appointed
Robert J. Huller manager of its new
21-story office building in downtown

Louisville. Mr. Huller formerly was di-
rector of buildings and grounds for
Xavier university at Cincinnati, and
previously was in property manage-
ment work for 15 years.

Recently the company hired a num-
ber of cabs to take its office force to
the future home office building to show
workers where they would be located.

U.S. Spends \$2.2 Billion on Health

American Medical Assn., in a com-
pilation of federal government expendi-
tures for health purposes, reports that
they will total \$2.2 billion during the
current fiscal year. This is an in-
crease of 6.4% over last year.



You love them...
protect them!

Designed for the support of Great-West Life representatives, this poster will

appear in over 60 cities throughout the United States and Canada during 1955.

The message "You love them . . . protect them!" is a reminder of the

foremost obligation of life insurance — to provide protection for the

family against the financial hazards of the future.

Outdoor advertising is an example of the support given Great-West Life

representatives in their sales and service activities.



EDITORIAL COMMENT

The Values in Association Membership

Those agents who are not members of an association sooner or later face the issue of whether or not to join.

When they do, the score on the side of not joining is plain to see. The agent saves the membership fee and the time that will be required for participation in association affairs.

It is a good deal more difficult to see the values in association work. The values for his business are, many of them, long term. Many are indirect. In terms of self-development, the values have a practical side in equipping him to deal with larger insurance situations in his own office. But they, too, are long term.

Yet the values are there, and they are important. What are some of the more important? A few of the principal ones are:

Legislative: To defend the business and practice of agent-distribution and the private insurance business generally against bad legislation; to help promote legislation that will tend to raise standards and improve product and practices. The political strength of organized agents seldom has been to any degree fully utilized. Yet it is the foundation of almost every legislative effort within the business, defensive or offensive. The successful resistance to compulsory health insurance and the gradual increase in qualifications for agents' licenses are good examples of results that can be attained.

Education: Too little has been done with this by associations, though more and more of it is being done. Probably educational work is of the most value to association members when it is done at the local level and when it contains a generous admixture of interpretation and application for local peculiarities. If it is exclusively the kind of education the prospect for membership can get from his company, or one of several good educational services, the association hasn't much to sell of a distinctive kind—no matter how good a job of promoting the education the state and local groups do.

Standards: Here the business and the public get a lot of value from associations, and members realize long term benefits as individual business men. However, it is hard to sell this difference of association membership to the public, even though the effort to do so has been stepped up markedly in recent years as competition increased. But the individual agent who is asking himself if he should join the association must take most of these values as indirect and

long term.

Group action for the individual's benefit: Aside from benefits in this category, such as group life, which is common to all groups, agents have done much to bring to bear on company decisions the view of agents. To a considerable degree these views reflect the interest of the public. Conference committees have proved their worth. The interchange and inter-effect of ideas have been increasingly evident. The agent individually gets a current "cash" return on this one.

Another form of group action from which the agent debating whether to join can also get a "cash" current return is local, county and state association advertising. This is proving of real general selling value for members, and for the agent who is struggling to build his business and has little money to spend on advertising. This group promotion can save him the price of membership twice over. It produces for him identification as an individual agent and as a kind of agent who provides a distinctive sort of service.

It is surprising what a small percentage of the full time life agents of the country, who number nearly 200,000, belong to an agents' association. The membership of National Assn. of Life Underwriters recently reached a new high, passing the 60,000 mark; but still, nearly 70% of the eligible agents have not joined.

It is surprising because others interested in the welfare of the business and in the future of the agency system seem to be more aware of the worth and usefulness of the association than are that great number of agents who do not belong to an association and who, therefore, contribute little to the general welfare of the business.

Companies know the value of associations and encourage them.

Insurance departments are quite aware of their value. They also encourage them.

It is not surprising that insurance departments regard agents' associations with favor. This is not altogether because of the political strength of associations. It is a recognition of the practical usefulness of a sound active association of agents who have the best interests of insurance distribution as their objective and who are seeking that objective continuously and in various ways.

The achievement and maintenance of standards of performance by agent groups reduces the difficulties which state insurance departments otherwise

would have to a quite measurable degree. Good associations perform an adjunctive service for state regulation.

Some time ago the New York department urged the excess lines brokers to form an association. The excess lines law was comparatively new, the opportunities it created had attracted a number of persons into the field, and a certain amount of confusion and even bad practice had grown up which the department believed self-discipline by those in that field could substantially remedy.

The department recognized that unless it has the effects of an atmosphere of integrity and honest practice in a field of insurance, its task of regulation is tremendously increased. The suggestion of the department did not result in an association, but the fact it was made is testimony to the department's recognition that associations help establish and maintain a pattern of good practice which exerts a highly beneficial influence and discipline in the field, upon members certainly, but also proportionally upon non-members—veterans and newcomers alike.

In some states the association aids the departments in formulating and

giving examinations to applicants for agents' licenses. There are other ways in which departments make practical, daily use of the associations. In addition, state department officials in many jurisdictions follow the practice of conferring with association leaders on matters of which they have close knowledge and experience.

Associations themselves probably need an occasional discussion of their objectives. They sometimes tend to narrow to the expression of views of a few leaders. There is now in several areas a real influx of younger agents into association leadership, which is a good thing. Objectives need to be revised occasionally to be sure there are more positive than negative ones, that there are offensive as well as defensive goals.

Under the impact of competition the work of associations is getting more practical, as group advertising demonstrates. The association idea is always more saleable under such conditions.

This is a good time for associations to sell and for agents to buy the idea.

Perhaps individual agents will come to realize that membership is worth \$100 instead of \$10; \$500 instead of \$50.

PERSONALS

Charles E. Becker, president of Franklin Life, has been selected by the Friends of Franklin Institute as chairman for the insurance field for the world wide celebration next year of the 250th anniversary of the birth of Benjamin Franklin.

Ned P. Searcy, manager of Jefferson Standard Life at Jacksonville, has been elected chairman of the board of public instruction of Jacksonville. He has been on the board since 1952.

William J. Graham, director and a retired vice-president of Equitable Society, has been reelected a member of the governing board of National Industrial Conference Board.

Margaret Divver, advertising manager of John Hancock, has been named head of defense advisory committee on women in the services, which seeks to stimulate interest of young women in careers in the armed forces.

D. Edward Hudgins, vice-president and general counsel of Jefferson Standard Life and a former Rhodes scholar, has been appointed to the North Carolina committee for selection of Rhodes scholars.

Merle Smith was honored at a dinner marking his 25th anniversary as manager of Mutual of New York at Buffalo. With the company 34 years, he is past president of Buffalo CLU chapter, Buffalo Life Managers Assn., and the Buffalo and New York state life underwriters associations.

DEATHS

FRANK H. McCHESNEY, 68, general agent of Berkshire Life at Rochester, N. Y., from 1924 to 1947, died in Rochester. He entered the business in 1908 and was appointed co-general agent with his father, the late Charles H. McChesney, in 1914. In 1947, the McChesney & Weston agency was formed. He retired from active management duties two years later.

MISS M. E. CARLISLE, first 50-year employee of State Life of Indianapolis, died at the age of 81. She had served as secretary of the mortgage loan department from 1914 until her retirement in 1950.

WILLIAM V. HINKLEY, 97, director of Illinois Traveling Men's Health and Illinois Commercial Men's for more than 50 years, died at Resurrection hospital, Park Ridge, Ill. He had been president of Illinois Commercial Men's since 1945 and had been active in both companies until several weeks prior to his death.

Bear, Stearns Selling 45,500 Postal Shares

NEW YORK—Bear, Stearns & Co. of New York, majority stockholder of Postal Life of New York, is offering 45,500 shares of its Postal stock for sale at \$20 through A. C. Allyn & Co. Bear, Stearns will continue to be Postal's majority stockholder even after the sale.

Postal is increasing its capitalization to \$300,000, which will permit it to write all lines of A&H as well as life.

THE NATIONAL UNDERWRITER

—Life Insurance Edition

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Joseph H. Head, Secretary.

John Z. Harched, Treasurer.

420 E. Fourth St., Cincinnati 2, Ohio.

Telephone Parkway 2140.

OMAHA 2, NEBR.—610 Keeline Bldg., Tel. Atlantic 3416. Clarence W. Hammel, Resident Manager.

PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127. Tel. Pennypacker 5-3706. E. H. Fredrikson, Resident Manager.

SAN FRANCISCO 4, CAL.—Flatiron Bldg., 544 Market St., Tel. Exbrook 2-3054. J. J. Wheeler, Pacific Coast Manager.



Eisner Explains Variable Annuity at Chicago

Chicago Actuarial Club at its October meeting heard a discussion of the variable annuity by Stanley Eisner, actuarial director of Prudential's Chicago regional home office.

Mr. Eisner described a variable annuity as a "life annuity, guaranteed to last your life time, which provides, instead of fixed dollars, variable sums of dollars, varying with the market value of common stocks."

The combination of a variable annuity contract based upon common stocks and a conventional fixed dollar annuity contract, according to Mr. Eisner, "offers more promise of protecting the purchasing power of retirement income than does any other approach yet devised."

New Travelers Office at N. Y. C. Headed by Hinckley

Travelers has opened a new office at 460 Park avenue, New York City, with George P. Hinckley as manager and William J. Ritchie as assistant manager.



George P. Hinckley

Mr. Hinckley, manager at Rochester since 1953, joined the company as field supervisor at Minneapolis in 1948.

Mr. Ritchie, assistant manager in New York City since 1947, joined the company in 1920 with the former Herman Robinson Travelers general agency in New York City where he was associate manager.

New Hand Book for Wisconsin Published

A new Underwriters' Hand-Book for the State of Wisconsin has been published by the National Underwriter Co. It provides complete and up-to-date information on the agencies, companies, field men, general agents, groups and other organizations affiliated with insurance throughout Wisconsin. Copies may be obtained from the National Underwriter Co., 420 East Fourth street, Cincinnati. Price \$12.

Sutherland to Promotion Post for Ohio State Life

Richard G. Sutherland has been appointed director of education and sales promotion of Ohio State Life. He formerly was with Trans-American Life at Fort Worth as director of mortgage life sales and before that with American Bankers Life in Miami in a similar capacity.

Mr. Sutherland entered insurance with Connecticut General Life in 1950 as an agent in Hartford, later becoming brokerage sales promotion specialist and then helping to develop the company's national brokerage operation.

Starr Named Chairman

C. V. Starr, chairman of C. V. Starr & Co. and American International Underwriters Corp., has been elected chairman of Philippine American Life. He replaces Paul V. McNutt, who died in March. Mr. McNutt's widow, Mrs. Kathleen McNutt, has been elected to the board.

Meet on New Alaska Commissioner

A meeting of the insurance commission of Alaska has been scheduled for this week in Juneau to make final selection of a new commissioner to replace Neil Moore, who resigned.

Says N. W. Mutual Program to Cut Expenses Is Working

"In an era of rising operating costs, we are happy to report a reversal of the trend," President Edmund Fitzgerald told the third quarterly meeting of trustees of Northwestern Mutual Life. "For the first time in many years," he said, "The ratio of administrative and general expenses to premium income has gone down significantly."

Mr. Fitzgerald explained that in 1953 and in 1954 expenses had risen an average of 6.3% each year. Under an economy program begun this year, the company hoped to cut that increase in half. Figures for the first three quarters showed the company doing even better than it had hoped, according to Mr. Fitzgerald.

Sales for the first nine months totaled \$435 million, 9.5% over last year's record pace. The average new policy reached an all-time high of \$8,608. Insurance in force gained 4.8% to \$7,826,892,608. The most spectacular increase in investments continues to be in the mortgage loan field, where holdings have gone up 21.8% in the last year.

Prudential has promoted Charles J. Galvin to district staff manager at Des Moines. He joined the company there in 1952.

E. H. May Heads LIAMA Atlantic Alumni Group

Edward H. May, manager at Hartford for Phoenix Mutual Life, was elected president of the Atlantic Alumni Assn. of LIAMA agency management schools at the annual meeting held in Rye, N.Y. He succeeds L. Kent Babcock Jr., Aetna Life general agent in Philadelphia.

Thayer Quinby, general agent Columbian National, Boston, was elected vice-president and Paul L. Guibord, general agent of Mutual Benefit Life at Newark, was elected secretary-treasurer.

Net Income Tax on S. C. Home Insurers

Domestic companies in South Carolina will begin paying a license fee, which will amount to a net income tax, at the beginning of the year.

This is not a premium tax. Domestic insurers will pay "an additional and graded license fee in an amount equal to 2% of the total premiums from insurance contracts issued to residents of South Carolina or paid from a point located within the state." The additional license fee is not to exceed 5% of net income.

Mr. Broker...

YOU HAVE THE CLIENTS, WE HAVE THE GOODS...

It's that simple and the most logical reason in the world why we should get together.

Your policyholders look to you for complete insurance service. You, Mr. Broker, can look to State Mutual for a full line of life, non-can sickness and accident and group plans.

We'd like you to become familiar with our S & A disability policy designed especially for key employees. Because of the favorable tax advantages, for both employer and employee, this protection sells easily and stays sold. And you'll like the commissions! Why not ask our nearest agency, or write directly to our Home Office, for a copy of the folder "How Long?" which will help you take advantage of this new sales opportunity.

STATE MUTUAL LIFE
Assurance Company
OF WORCESTER, MASSACHUSETTS

Life

A & H

Group

Franchise

Hospitalization

Brokerage

Reinsurance

life insurance in force exceeds

\$835,000,000.00

PLUS: One of the most advanced agents training programs in the nation . . . Supervised offices . . . Trained Group men to assist agents . . . An alert Underwriting and home office staff . . . Top commissions.

REPUBLIC NATIONAL LIFE

INSURANCE COMPANY

Theo P. Beasley, President

Home Office, Dallas

ASSOCIATIONS

Indiana Agents to Push Heart Fund Campaign

Indiana Assn. of Life Underwriters will spear-head the Indiana Heart Foundation 1956 fund campaign. Francis Davis, general agent of Indianapolis Life at Marion, immediate past state association president, will serve as chairman.

The association will name the state foundation drive chairman, recruit manpower for solicitation and set up campaign organizations in counties in which there are none. In turn, the foundation will give wide public recognition via radio, press and television to the association's activity in the campaign. The association will not be expected to supply all manpower and organization for the campaign, but will supplement the foundation's existing organization.

Foundation officials stated that the idea of asking the agents to undertake management of the campaign came largely from listening to the "commercials" on radio news broadcasts sponsored by the Indianapolis and

Muncie associations, some of which stressed the participation of the associations in community work.

The Minnesota association has worked with the heart foundation in that state for about five years and the South East Pennsylvania Foundation has worked with agents' associations in its area.

Davenport Agents Hear Schriver

Speakers at the annual sales congress included Lester O. Schriver, managing director of NALU; Benjamin Kerper, executive vice-president of Midwest Timmerman Co. of Davenport; Al Wise, staff manager at Minneapolis for Prudential; Richard Bowers, agent at Keokuk, Ia., for New York Life, and Paul C. Kaul, general agent for Connecticut Mutual Life at Omaha.

The congress emphasized well-rounded work on all phases of life insurance selling as the answer to problems created by mass coverages and social security.

Columbus, O.—Dr. Davis W. Gregg, president of American College, discussed "The Power of Ideas" at the October meeting. A forum which included discussion on handling of estates was held. Probate Judge Roscoe W. Walcutt and Chief Deputy Lawrence A. Ramey participated.

Collins, Schriver Speak at Ala. Education Week

Fifteen local associations joined with Alabama Assn. of Life Underwriters, NALU and life companies domiciled in the state to sponsor "life insurance education week" throughout Alabama.

Stanley C. Collins, president of NALU, spoke at a luncheon meeting climaxing the week's program at Mobile. Lester O. Schriver, managing director of NALU, addressed a luncheon in Birmingham and a dinner meeting in Gadsden. The latter was held by the Anniston, Gadsden and De Sota associations.

In proclaiming the week, Gov. Folsom praised the services rendered by life insurance and called upon citizens to learn more about it and to make sure their insurance "is so arranged as to be of utmost value to their beneficiaries."

San Antonio—Woodrow McGille, president, described the agent's qualification law as a means for improving the information level of agents. Speaker was Tom Henderson Jr., southwest manager for National Life & Accident, who said competitors for the consumer dollar were doing a better job of selling than the insurance salesman. He said old policyholders are the richest source of new business.

Louisville—Speaker was H. Bruce Palmer, president of Mutual Benefit Life.

Los Angeles—LUTC classes meet Tuesdays, Fridays and Saturdays in Prudential building, Occidental Life of California building and Massachusetts Mutual Life office. Classes for the southwest branch meet in Englewood on Wednesdays; in Huntington Park for the southeast branch on Wednesdays and Saturdays at local agency offices; and for the eastern

branch on Wednesdays at Whittier in the American Legion hall.

Indianapolis—How they became members of the Million Dollar Round Table was discussed by a panel composed of Henry J. Pierce of Massachusetts Mutual Life, George W. Jackson of Connecticut Mutual Life and Robert O. Beckman of Mutual Benefit Life. More than 100 members attended.

Philadelphia—Howard J. Riordan, broker-manager of Continental Assurance at Washington, spoke.

Seranton, Pa.—Stanley C. Collins, Metropolitan Life, Buffalo, president of National Assn. of Life Underwriters, spoke.

San Francisco—A breakfast meeting, sponsored jointly with San Francisco CLU chapter, was addressed by Herbert C. Graebner, dean of the American College, who also presented CLU designations. Henry E. North, vice-president of Metropolitan, in charge of Pacific Coast head office, has been appointed chairman of a special committee to arrange a program observing the association's 50th anniversary next April.

Austin, Tex.—Some 120 persons are now enrolled in LUTC and CLU studies. At the October meeting Robert Strain, University of Texas insurance professor, spoke on "Where Are We Going in Insurance Education?"

Fort Wayne, Ind.—Thirty agents were presented the national quality award.

Syracuse—Two hundred members attended the annual clambake in Jamesville. Police escorted the group through the city. Enroute, members searched fields and foliage for six pieces of paper entitling the bearers to prizes.

Detroit—At its first fall meeting, the Women's Group heard Lillian G. Hogue discuss CLU activities that took place at the convention in St. Louis. Matilda M. Wells gave up-to-date information on the Women's Quarter Million Dollar Round Table, and Alberta M. Light gave a resume of convention activities in general. M. Helen Erickson, program chairman and recent Purdue institute graduate, listed attributes of the course.



"This old hoop skirt frame of grandma's comes in mighty handy on calls like this!"

Bankerslifemen Know How To Approach A Prospect

A Bankerslifeman is a pretty self-assured person when it comes to approaching a prospect. He knows how to "skirt" the obstacles between himself and that important first interview . . . and once he gets the interview, he knows how to develop the needs of the prospect . . . and present plans to meet those needs.

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THE BOURSE

PHILADELPHIA

Minnesota Life Agents Complete Sales Caravan

Minnesota Assn. of Life Underwriters has completed a sales caravan which made stops at Duluth, Rochester, Mankato, Faribault, Willmar, St. Cloud and Fergus Falls.

E. B. Eliason Jr., 1956 Heart Fund chairman and vice-president of Minneapolis association, spoke on "Heart Insurance—a Good Investment." He is general agent for Crown Life.

Z. Willard Finberg, vice-president of the Minnesota association, St. Paul manager for Great-West Life, discussed "Business Insurance Opportunities."

Freeland W. Harlow, Northwestern Mutual Life, Minneapolis, discussed "NALU, MALU and You."

Lewiston, Me.—Hugh MacKay and Donald Barber, associate counsel and tax specialist respectively of State Mutual Life, discussed tax problems of business insurance at a meeting of the Androscoggin Valley association here.

New Bedford—David W. Brodsky, insurance consultant of Metropolitan Life at New Bedford, spoke on "Prospecting for Today's Market" at the monthly luncheon meeting.

Montreal—R. Leighton Foster, general counsel of Canadian Life Insurance Offices Assn., spoke on "The Insurance Superintendents Conference."

Madison, Wis.—Hall C. Nutt, director of the Purdue Institute, spoke at the October meeting.

Managers to Fete Medical Directors

New York Life Managers' Assn. gave a dinner and reception in honor of Assn. of Life Insurance Medical Directors Oct. 19 at Hotel Sheraton-Astor, New York City. The medical directors held their annual meeting Oct. 9-21 in the Hotel Statler.

Hold Estate Planning Institute

Three hundred attended an estate planning institute held two days in Chattanooga by Tennessee Assn. of Life Underwriters, Life Insurance Leaders club of Tennessee and University of Tennessee college of business administration.

First Conn. Mutual Arizona Office

Connecticut Mutual Life has opened its first district agency in Arizona with offices in First National Bank building in Phoenix. Ben E. Stotts Jr., brokerage supervisor at Los Angeles since 1950, heads the agency. He joined the company in 1946.

Equitable Training Staff Meeting

Equitable Society's training division instruction staff held a nine-day semi-annual conference at the home office, attended by field instructors from throughout the country. Home office executives gave lectures and conducted seminars.

San Antonio CLUs Hear Professor

"It is possible for anyone to improve his writing ability through a definite, progressive program of self-study," Dr. Owen J. Reamer of Trinity university English department, San Antonio, told an October meeting of the CLU chapter there.

Forty-five have enrolled in the part A class of CLU studies at Trinity university and plans for study groups are being arranged.

Publishes New Rate Book

Jefferson Standard Life has brought out a new rate book which contains many changes, most important of which is a reduction in all waiver of premium rates.

A new life paid-up at 85 policy replaces the "business provider." The new contract contains the same cash values, there is no change in underwriting practices and the minimum policy issued remains at \$10,000, but rates have been reduced.

National, Vt., Sales Up 17%

National Life of Vermont sales in the first nine months totaled \$154,566,772, up 17%, and annual premiums on these sales amounted to \$5,754,414, up 11%.

Hikes Dividends 11%

Dividends for all plans, ages and durations, issued by Dominion Life, will be higher by about 11% commencing Jan. 1, 1956. A 28% increase was made a year ago.

College Life of Indianapolis has been licensed in California.

Pan-Am Names Williams Assistant Group Actuary

Pan-American Life has appointed Dean E. Williams assistant actuary in the group and pension department.

Mr. Williams, who has been assistant manager of the group actuarial division of New York Life, previously was with Northwestern National Life and Iowa insurance department. He is an associate in Society of Actuaries.

Conn. Mutual Sales Jump

Connecticut Mutual Life's new sales totaled \$98,203,895 in the third quarter. Year-to-date sales were \$299,514,733, up \$48 million.

Kan. Round Table Meets

"The Man Who Knows Is in the Dough" was the slogan of a meeting Kansas Leaders Round Table in Wichita.

Officers elected are: Elmer Smith, Wichita, chairman; Steve Epp, Newton, vice-chairman, and George Short, Wichita, secretary treasurer. Outgoing chairman is W. E. Mechenstock, Oberlin.

Clayton Mammel, Wichita, presided over a question and answer period.

Programming, estate planning and business insurance were discussed in a session presided over by Maurice Coulson, Wichita; Ray Wright, Lawrence, and Elmer Moore, Wichita.

Heads New Pru Agency

Prudential has opened a new ordinary agency at New Brunswick, N. J., with Julius A. R. Rafus as manager. The agency replaces a branch operated by the Trenton agency. For the present it will continue at 5 Elm row but will move to larger offices later.

Mr. Rafus joined Prudential at Trenton and has been directing the Trenton agency's Middlesex county operations, which will now come under the New Brunswick branch.

Plan Honolulu H&A Assn.

Preliminary steps have been taken to form an A&H association in Honolulu, to be affiliated with the international association.

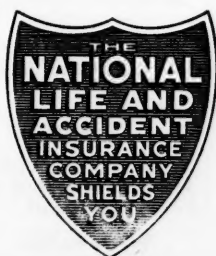
Independence Life Promotes Two

Independence Life of Charlotte has promoted L. L. Pittard from agency director to vice-president in charge of the agency department and Howard N. Browning to vice-president and head of the credit life division.

SAFETY BELTS...

Congratulations to the automobile manufacturers who have made safety belts available in the 1956 models, and for the other new safety features that have been introduced.

But we hope you never have cause to find out how good they really are!



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AND ACCIDENT
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Bettering A&H Covers Is Big Topic at Louisville

(CONTINUED FROM PAGE 1)

home office staffers should similarly be exposed to the field.

Following Mr. Songer was a panel on new developments in substandard underwriting. The objective was to bring out what companies are actually doing in this field.

Fred T. McCann, Continental Casualty, said he had discovered a reluctance on the part of his company's agents to submit substandard business. "The agents and field forces must go through a period of re-education. We as underwriters have been discouraging this type business for many years. Now, we have had a complete reversal in our attitude and it is our job to institute an educational program for both our agents and the public at large.

"Any company entering the field of substandard underwriting must realize that it will take at least five years' experience and a considerable volume of this type business in all the impaired categories before any experience can be accumulated and analyzed to determine whether or not the problem has

been approached correctly. It is possible after this experience is tabulated, the results may change our thinking in our so-called 'standard' underwriting."

According to E. F. Brewer, Republic National Life, his company started accepting diabetics at standard hospital and surgical rates in cases where a complete life insurance work-up had been done. This was in 1947. "After approximately three years of accepting hospital and surgical on diabetics, we felt that in view of the rather excellent experience we had, we could offer commercial A&H coverage for a maximum of \$100 per month, not to exceed 12 months. Again, we did not ask an extra premium because of the impairment.

"In 1952, we extended our acceptance of a few so-called substandard A&H cases, such as cases presenting past history of mild gallstone attacks, acute kidney situations and others. In these particular cases we increased our premiums from 25 to 50% and were

careful to stay within limited coverages, generally not more than 12 months."

Arthur J. Kern, Inter-Ocean, described his company's special risk program. With Inter-Ocean, a physically impaired person insured with the company for at least two years will not be non-renewed if the sole reason for non-renewal is impairment. Policyholders who were formerly non-renewed because of physical impairment, are now transferred to a special risk pool and their insurance continued—policies up to \$400 monthly indemnity, and \$15 daily room rate. A 9-month recurrence of disability clause and a deductible are added to the contract. Special risk pool cases are transferred out of the agent's account and he gets no further commissions on this business.

Six hundred and seventy-six policyholders have been continued who might have otherwise been non-renewed. Experience has been favorable and the agents feel the program builds their prestige.

Winding up this panel, Stanford Miller, Employers Reinsurance, reported on accomplishments of the subcommittee on substandard risks of task force 3 of the Joint Committee on Health Insurance. This all-industry subcommittee has set out to find out if there are inadequacies existing in private insurance substandard facilities. If there are, the committee aims to single them out and encourage companies to eliminate them.

Dr. Proctor Waldo, Washington National, discussed underwriting of back injuries. "We try to appraise the type of policyholder we have. When the insurance has been in force at least two or three years and the claims therein appear to have been reasonable, we

like to avoid using any riders. If our appraisal indicates we had the full facts when the policy was originally issued and claims have been due entirely to conditions arising since then, we feel that the possibility of new conditions developing was the reason the policy was purchased and was what we were insuring.

"If the previous claim experience has been good and the additional risk is not too great, no action is taken. Restrictive action is reserved for those cases where either the total claim experience has been so poor or the additional hazard is so great that future risk cannot be assumed without such action.

"Cancellation is reserved for cases involving malingering, fraud or those cases in which a rider could not be made to reduce the severity of the risk."

The second day began under the chairmanship of T. T. McClintock, American United Life. He is chairman of the conference hospital and medical committee that sponsored this portion of the program.

"The effects of an increase in workmen's compensation benefits," according to Victor Fernitz, Combined, "would be adverse where duplication or overlapping of coverage already exists." His topic was the problem of "Workmen's Compensation—Excluded or Not Excluded—as it Affects Hospital and Medical Insurance."

"However, the effects can also be advantageous to the industry because increases in workmen's compensation benefits will undoubtedly bring workmen's compensation benefits and nonoccupational benefits provided by individual and group carriers closer together.

"At Combined, we have adopted the



"PASS THE HEMLOCK THE PRESSURE'S ON AGAIN!"

No American United Life representative finds it necessary to reach for the cup of poison, just because of home office pressure. Instead of developing ulcers we want to develop men. And there's a lot of difference.

American United Life puts on a pressure of ideas: trains the beginner on a sound "package" track; offers the advanced underwriter technical assistance in the fields of business insurance or estate planning; keeps ahead of modern underwriting developments with a portfolio of contracts from a "Major Medical" to "Low Net Cost" policies; and furnishes salespromotion material that translates actuarial achievements into terms of customer benefits. This "pressure of ideas" makes money for everybody: the policyholder, the field and the company . . . makes it without building up a single ulcer.



AMERICAN UNITED LIFE INSURANCE COMPANY

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Assets over \$118 million, insurance in force over \$600 million

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procedure of issuing two contracts—one with a workmen's compensation exclusion and one without—issuing the latter policy to those individuals who are not covered by workmen's compensation, and charging a proportionately higher premium for the policy without the exclusion."

Views on "Hospitalization, Past, Present and Future" were presented by G. H. Carlson, North American Accident of Chicago. "I foresee the day when hospitalization insurance as we know it will cease to exist. I am convinced the answer lies either in higher limits of coverage with a deductible feature, or a major medical plan without any basic hospital plan to take up the slack. With either of these plans, we would be getting back to the true insurance concept, the insuring of a loss which would prove to be of serious economic consequences."

Robert Ryan, Royal-Liverpool group, commenting further on major medical, said the coverage has its limitations. "Recognition of these will encourage our industry to learn more about what to offer and how to offer it. In the sale of major medical, agents will gradually become accustomed to do a much more thorough job of field underwriting. More time will be devoted to the initial sale with far less time wasted in correcting later difficulties. We must face up to the challenge of this new market and gain the confidence of the insuring public. I believe major medical has now passed through infancy and adolescence where decisions were met from day to day and actions taken in terms of immediate expediency."

Charles N. Walker, Lincoln National Life, analyzed his company's experience with deductible hospital insurance. Deductible hospital insurance cuts claim administration costs in half; costs the policyholder a third less than ordinary hospital insurance and yet pays agents just as much commission. "A higher proportion of our deductible policies are sold on a family basis than was the case with nondeductible forms—58% against 51%. As might be expected, the \$50 deductible is more popular than the \$100 deductible, 66% of the policies being for the lower deductible amount. Even after adjusting for the difference in maximum issue ages, the deductible policies have a somewhat older age distribution. Ages under 40 are still the biggest source of business, however, accounting for half the business. In a check of a sample of the business, we found that applicants for the \$50 deductible policy had an average annual income of \$5,000. Applicants for the \$100 deductible policy had an average annual income of \$7,200. We also found that 42% of the policies are sold to applicants with incomes under \$4,000, and 69% are sold to applicants with incomes under \$6,000."

Speaking of the industry generally, Mr. Walker said: "At the present time there are two distinct types of deductible hospital policies being sold. The first is patterned somewhat after the major medical policy, featuring a blanket, or unallocated, type of benefit. The typical policy in this category will provide payment for all hospital expenses in excess of \$300 up to a maximum benefit of \$5,000. The second is patterned after the typical hospital and surgical policy. It has a daily hospital benefit with specific limits on the daily amount and maximum duration; a miscellaneous hospital expense; and a surgical schedule. Benefits for physician's fees and nursing fees may be included

(CONTINUED ON NEXT PAGE)



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"Your new field supervision has certainly stimulated my agency" . . . "Your new direct mail produces sales" . . . "That new simple programming folder is the easiest to use I have ever seen."

These are just a few of the "Fair Dinkum" statements Central Standard field men—veterans and "rookies"—have made about our new sales program.

Add to this a new, tuned to the times agency contract with top commissions, vested life-time renewals, bonuses for achievement. You, too, will be excited about our "from now on" expansion program.

*Australian slang expression meaning — true, honest.

Write, phone or wire C. L. Gsell, Agency Vice President

CENTRAL STANDARD LIFE INSURANCE COMPANY

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NEW BUILDING and a NEW RECORD \$1,500,100,000

Life Insurance Now in Force

Along with the official opening of its new head office building, Confederation Life Association crossed the 1½ Billion Dollar mark of Life Insurance in force. A determined sales drive in 15 countries made the last 9 months the greatest selling period in the Associations' history.

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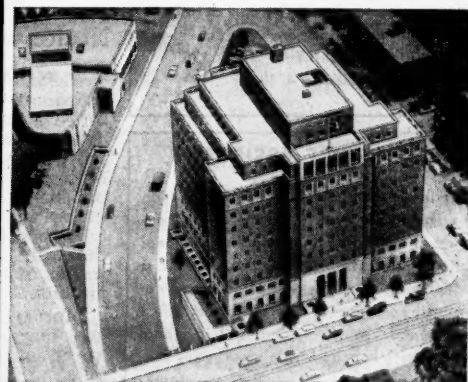
Canton
Cincinnati
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Columbus
Elyria
Toledo

Port Huron

HAWAII: Honolulu, Hilo, Wahiawa

PENNSYLVANIA: Philadelphia



Above: Aerial View New Head Office Bldg., Confederation Life Association, Toronto, Canada. Very modern, extremely efficient, it contains the newest electronic equipment to speed up service. There is a fine separate staff house, left rear, for the 700 staff members.

or made available by rider. In fact, the only thing which distinguishes it from the typical hospital and surgical contract is the presence of the deductible amount."

The final portion of the program was presided over by W. A. Sims, Business Men's Assurance. He also moderated the case clinic for lay underwriters—a discussion of actual underwriting cases submitted anonymously by companies.

"An experienced A&H underwriter must recognize that in the majority of cases to be dealt with, there is seldom only one correct answer possible. In each given situation, therefore, it becomes the task of the underwriter to pick out the most practical or logical answer based on existing circumstances."

Panel members included Charles M. Barry, Ohio State Life; J. Noyes Cray, Connecticut General Life; Harry L. Graham, Bankers Life of Nebraska; Malcolm G. Pittman, Gulf Life; Albert

Robins, Loyal Protective Life, and Joseph M. Ryan, Metropolitan.

A second case clinic, dealing with medical situations, was moderated by Dr. W. H. Scoins, Lincoln National. Dr. Scoins said, "all companies should want to avoid the stigma and poor public relations which arise when it appears that the policyholder is re-underwritten at the time of a claim and the policy either not reissued or is reissued with restrictive clauses. Where the moral hazard is unquestioned, and only medical information is concerned, the original underwriting can only be sound if the information is properly evaluated."

Panel members were Dr. Harold R. Leffingwell, Paul Révere; Dr. Charles B. Ahlefeld, Business Men's Assurance; Dr. John E. Boland, North American Accident of Chicago, and Dr. E. B. Williams, Wisconsin National Life.

El Paso BBB Makes Charge of Deceptive Sales Methods

The El Paso (Tex.) Better Business Bureau has reported that it is receiving a large number of inquiries from prospective buyers of policies being sold in the area by newly-formed life companies. The bureau manager stated that many of the persons who inquire are "so confused they have no idea of what they are being asked to buy."

According to the bureau, several companies which are offering variously named "contracts" lead their buyers into believing they are buying stock or investing in the life company, when actually it is insurance they are purchasing.

On the face of some policies appears the following statement: "The holder of this contract shall participate in the divisible earnings or profits of the company from all sources as apportioned by the board of directors of this company, beginning after the second year, and the dividends paid shall not be less than the dividends paid to the stockholders on 25 shares of stock."

The bureau said many persons jump to the conclusion they are getting stock with their new life policy, or that 25 shares of stock is being set aside in their name, and that at any rate they will be treated the same as the stockholder of the company.

The bureau, in stating that this is not true, commented that what the salesman fails to tell the prospective buyer is that some new life companies go for many years before they pay any dividends to stockholders and they would, therefore, not be under any obligation to pay dividends to policyholders.

Nationwide Installs IBM 650 with Data Transceiver

Nationwide has installed in its home office a new IBM 650 magnetic drum data processing machine whose first job will be to handle renewal premium billing. The system will transmit punched card data between the home office and 14 regional offices in the east by transmitting and receiving duplicate sets of punched cards by means of telephone, telegraph or radio circuits.

Murray D. Lincoln, president, said the new machine will increase the speed of routine processing of data, release individuals for reassignment and improve operating efficiency and service.

Plan Buffalo I-Day

Buffalo Assn. of Life Underwriters and Buffalo Chamber of Commerce will sponsor their annual I-Day luncheon Nov. 2 in Hotel Statler. Lester O. Schriver, managing director of National Assn. of Life Underwriters, will be principal speaker.

Variable Annuity Praised As Aid To Retired Worker

(CONTINUED FROM PAGE 5)

California and Indiana; Sears, Penny, American Gas & Electric, Texas Utilities Co., International Business Machines, Aluminum Co. of America and Bethlehem Steel—in a total of 64 companies and 14 different industries. If American business prospers, college professors are not limited to a fixed dollar retirement income, a static standard of living while employed Americans are enjoying rapidly increasing standards."

Mr. Greenough also emphasized that development of this country will call for huge sums of invested capital, some of which could come from borrowing and some from equities through retained corporate earnings and new common stock issues. This will increase the man-hour productivity of the American worker as well as the total product. A substantial part of this invested capital, both borrowed and equity, can and should be supplied through the savings of the people for their old age, he emphasized.

"In our desire to give the retired economy we must not forget our responsibility for protecting him during periods when the economy is declining," he said. "We must not fail to have a solid fixed dollar base of traditional annuities to protect our retired people during times of depression and to protect them against the swings of common stock performance that have always in the past far exceeded those of the cost of living. The balanced retirement program of fixed dollar annuities plus equity annuities is a sound and conservative approach to the problem of retirement income, designed to provide a more secure income regardless of the direction of which the economy is moving at any given time."

"Our efforts to maintain plentiful jobs for everyone will probably lead us to inflationary actions from time to time. Defense expenditures and other forces may also have their effect. Under traditional pension plans inflation leads to a declining standard of living for retired people, with resulting real distress."

"Variable annuities seem to be the best answer yet proposed, permitting individual savings to be invested partly in equities. Thus the circle closes: The combined fixed dollar and equity investments of workers, saving for their old age can help expand American industries, roads, schools, homes, machine, services. Increasing productivity will make it possible to improve the standards of living both for our workers and for our retired people."

160 Underwriters Attend Sales Congress in Waco

"How To Sell a Million—Easy" was one of several topics explored at the 10th regional sales congress sponsored at Waco by local life underwriter associations in the area. More than 160 attended.

William M. Scott, Great South Life, Austin, emphasized the importance of developing and using friends who are willing to go among their friends and assist the agent in promoting new business. Mr. Scott said it is important to explain to the prospect that his money is not being taken from him but is being used to provide for future income.

"Human Life Values" was the theme of Charles E. Gaines, Southern Methodist institute, who said the average man is trying to save money to pro-

vide for the future of his family and does not place himself first.

R. L. McMillon, Business Men's Assurance, Abilene, said the poorly prepared insurance salesman is like a woodsman with a dull ax. First requirement of the agent is to sharpen his selling ability, he said.

Sylvan Tobolowsky, an attorney, discussed "How the 1954 Revenue Code Affected Life Insurance."

Plan to Brief Ind. Agents on 1956 Heart Fund Drive

Harry V. Foreman, American United Life, Kokomo, president of Indiana Life Underwriters Assn., will visit six local associations in zone 4 Oct. 27-28 to explain the association's plans for conducting the 1956 fund drive of Indiana Heart Foundation. Francis Davis, Indianapolis Life, Marion, immediate past president of the association, is drive chairman.

On the 27th, Mr. Foreman will visit Anderson, Kokomo and Lafayette. On the 28th he will be in Logansport, Marion and Muncie.

Mr. Foreman will be accompanied by Ralph Stewart, Ohio State Life general agent at Muncie, zone vice-president. The October visits are part of a program to contact all locals in the state by the end of November.

Provident L&A Offers Five New A&H Policies

Provident Life & Accident has introduced a new line of A&H and hospital-surgical policies known as the new security line. There are five policies.

One loss of time policy pays lifetime benefits for total disability from accident or confining illness, with lifetime benefits for non-confining sickness on a reduced basis available as an option.

A second loss of time form is a short term policy paying five years for total disability from accident and 15 months from sickness, without regard to confinement, at the option of the applicant.

A third loss of time policy is designed for men and women above the usual age of acceptance and may be issued to men up to age 72 and to women up to age 64.

Among optional coverages are accidental death and dismemberment paid in addition to rather than in lieu of disability benefits.

Individual and family hospital-surgical policies are included in the new line. Optional coverages include a catastrophic extras rider paying up 75% of the next \$5,000 in charges.

Conditions of renewal, grace period and exceptions to coverage, all adequately captioned, appear on the first page of each policy.

Attractive sales circular-applications have been designed for each policy, containing full information about coverage, exceptions, and premium rates.

The sales brochures were prepared with particular attention to and in full compliance with the ethical code of advertising standards adopted last year by H&A Underwriting Conference, the ruling of the Georgia insurance commissioner, and with full regard to recent criticisms of A&H advertising by FTC, according to Vice-president James E. Powell.

Named to Medical Post

Connecticut Mutual Life has appointed Dr. David Luchs assistant medical director. He has been civilian medical officer and consultant in medicine at Walter Reed Army Medical Center, Washington.

WANT ADS

Rates—\$18 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER—LIFE EDITION

DIRECTOR OF AGENCIES

Here is an unusual opportunity for a person with the necessary experience and qualifications to serve as Director of Agencies of a fast growing and aggressive ten year old Southern Life Insurance Company. If interested send recent photograph of yourself, together with full details of your experience, qualifications, educational background, age, family status, full name and address. Salary and Bonus commensurate with ability and experience. Your reply will be treated strictly confidential. Address Box H-77, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

AGENCY SUPERINTENDENT

Rapidly growing mid-western company specializing in H & A needs man in \$10,000 per year range to establish agencies. Will operate out of Minneapolis or vicinity to start. Must have proven ability to recruit and train. Will have option of salary and bonus or commission. Write full details of background and experience to Box H-91, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

HOME OFFICE ASSISTANT

50 year old company has opening for an experienced life man to assume the responsibility of managing an expanding Regional Home Office Life Department. This is a wonderful opportunity in Florida for someone with a general overall home office background. Write giving full personal data, experience, and training. Replies confidential.

Box H-86, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

MICHIGAN FIELD SUPERVISOR

Are you interested in a seven County area to work with multiple line agents? If you have a couple of years selling experience and want to be part of growing and expanding Michigan Companies—you are offered this—(1) Salary—Commission—Car and expenses. (2) Liberal Employee Benefits. Reply Box H-90, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

III. Agents Hear Shield at Midyear Meeting

(CONTINUED FROM PAGE 1)

to help acquire counsel in Springfield during future legislative sessions. A. D. Crow, Lincoln National, Chicago, chairman of the law and legislation committee, reported that the 1957 program would oppose any change in the present limits in group insurance and try to increase liaison between association members and legislators.

Among other things mentioned by Mr. Shield were senate investigations of union welfare funds, credit insurance and solicitation of insurance on military reservations.

After his own investigation of FTC complaints, Mr. Shield concluded that not one of the practices cited was deliberate, that all the companies were giving a dollar's worth of coverage for a dollar's worth of premium and that the number of complaints was infinitesimal when compared with the number of policies in effect.

The problem of insurance solicitation on military reservations, according to Mr. Shield, could be solved by the Defense Department's acceptance of NAIC's recommendation permitting solicitation only by companies and agents licensed in the state where the reservation is located. He warned that if the Defense Department remained adamant, federal legislation would be enacted to correct the situation.

The association fellowship dinner was presided over by A. F. Moore. Mr. Collins was the main speaker and James W. Ross, chief deputy of Illinois insurance department, was a guest. Framed resolutions were given to members of the 69th general assembly, who sponsored or helped guide association legislation.

Mr. Collins praised the association for its legislative work, saying good legislation depends on public minded citizens who give legislators valid advice.

Illinois Round Table, with James F. Truman, Massachusetts Mutual, Chicago, retiring chairman, in charge, voted to raise the agent's qualification for membership from \$250,000 to \$300,000 and awarded \$100 to the Chicago Association, whose membership was up 3% and whose round table membership gained 30%.

More than 100, a record high, attended the CLU breakfast at which Dr. Huebner spoke on "Professional Progress in Insurance Education." Dr. Huebner also spoke at the sales congress, discussing the "Magnitude and Significance of the Human Life Value."

Mr. Goesser spoke on "Motivating the Agent" at the General Agents & Managers Conference luncheon, and on "Human Relations in Selling" at the sales congress. In the first talk he said the problem was to get the agents to think highly of their work, themselves and their goals, because in that way they will become better agents. He told the congress that the success or failure of a sale depends on the

customers reaction to the salesman, and therefore the agent should do all he can to improve his human relations with his customers.

Mr. Collins, addressing the sales congress, praised the debit agents, reviewed the organization and work of NALU committees and said that the aim of his administration was "harmony through understanding."

Mr. Weaver discussed "Estate Planning," and Mr. Whiting spoke on "The Selling Side of the Human Equation."

Program for Dec. 28-29

Annual of Teachers Ready

(CONTINUED FROM PAGE 2)

J. Edward Hedges of Indiana university will lead the discussion.

Mr. Bowers will preside at the luncheon session and Jarvis Farley, secretary, treasurer and actuary of Massachusetts Indemnity, will discuss recent developments in A&H insurance.

New developments and problems in research will be the afternoon symposium topic and John S. Bickley of Ohio State will moderate. Speakers and their topics are Oscar Serbein Jr., of Columbia university, paying for medical care in the U.S.; Ralph R. Botts, agricultural economist, in charge of agricultural risks and insurance unit of U. S. Department of Agriculture, federal crop insurance; William M. Howard of Florida university, fire insurance written under perpetual contracts; John F. Adams, director of the bureau of economic and business research of Temple university, problems of automobile accident injuries research; Mr. Hedges, experiments in financial analysis of property insurers; William H. Wandel, director of research of Nationwide, insurance consumption patterns; Philip Elkin of Wharton school, the financial experience of life insurance trusts; and John D. Long of Indiana university, research on property agency continuation. Harry J. Loman of University of Pennsylvania will summarize the symposium.

Lloyd Ramsey Resigns

Mutual Benefit Life Post

Lloyd Ramsey has resigned as general agent in Memphis for Mutual Benefit Life.

Mr. Ramsey, a member of the Million Dollar Round Table since 1945, will devote his full time to two other companies of which he is president: Complete Insurance Services, which does audits and analyses on all forms of insurance, including life, and Ralide, which owns a system method of financial and estate planning. Mr. Ramsey's and his associates' offices will continue to be in the Union Planters Bank building.

Although operating independently, Mr. Ramsey's companies will act as a brokerage production unit for Mutual Benefit's Memphis agency.

Acacia Appoints Hecox

Acacia Mutual Life has appointed Stuart D. Hecox director of training.

Mr. Hecox joined Northwestern Mutual Life at Detroit in 1945. He was named general agent of Mutual Trust Life at Detroit in 1951. He was appointed director of sales training of Mutual Trust Life in 1952.

Commercial Travelers Hearing

The federal trade commission's hearing on its complaint charging Commercial Travelers Mutual Accident with false and misleading advertising of A&H policies began Tuesday before FTC Examiner Laughlin at Utica, N.Y.

Mc Martin to Retire Apr. 30 From N. Y. Post

NEW YORK—Willis F. McMartin, general agent here for Northwestern Mutual since 1949,

has resigned effective next April 30. Because of a severe form of asthma which began about a year ago, his doctor has advised him to give up all managerial responsibilities. No successor has been named.

Mr. McMartin, a CLU, started in life insurance here with the former Clifford McMillen agency of Northwestern Mutual 24 years ago after having been engaged in customer attitude surveys on commercial products. On Mr. McMillen's retirement Mr. McMartin was named to head one of the two successor agencies. Unless it proves necessary for him to live in a warmer and drier climate, Mr. McMartin expects to continue here with his present associates in the life insurance business.



W. F. McMartin

Van Orman Heads N. Y. C. Insurance Law Group

Wayne Van Orman, New York City insurance lawyer, is new chairman of the insurance law committee of New York City Bar Assn.

Members connected with life insurance are: Superintendent Holz of the New York insurance department; Alfred C. Bennett, former consultant liquidator of the insurance department and an insurance lawyer; Earl S. MacArthur, New York Life; George E. Walton, associate general counsel Metropolitan Life; Daniel J. Reidy, general counsel of Guardian Life; George S. Van Schaick, chairman of Security Mutual Life, Binghamton, former New York insurance superintendent and an insurance lawyer.

Hear Double-Talk Artist

NEW YORK—New York City Life Managers Assn. was host at a dinner in honor of the Assn. of Life Insurance Medical Directors during the latter organization's annual meeting here. Charles J. Buesing, Mutual of New York, chairman of the managers' association planning committee, acted as toastmaster.

Introduced by Mr. Buesing with great deference as Dr. Albert Calvin, the speaker of the evening proved a fluent and forceful talker but somewhat difficult to follow—in fact, just barely incomprehensible. The audience, however, quickly realized that they were listening to an expert double-talk artist, who was later re-introduced as Al Kelly, professional entertainer.

Names Kellog in Michigan

Prudential has opened a new ordinary agency at Battle Creek, Mich., with Samuel A. Kellog manager of a five-county area. Mr. Kellog joined the company at Grand Rapids in 1952.

Names W. F. Leisman Jr.

New York Life has appointed William F. Leisman Jr. training supervisor for the middle Atlantic division with headquarters at the home office.

Mr. Leisman joined the company at Philadelphia in 1949 and has been assistant manager for three years.

Signs Cubs' Third Baseman

Ransom Jackson, third baseman for the Chicago Cubs baseball team, has joined the life department of Moore, Case, Lyman & Hubbard, Chicago, on a full-time basis. The agency represents John Hancock.

Craft Explains Refusal to Testify at FTC Hearing

(CONTINUED FROM PAGE 1)

same time to contest the proceeding on its merits."

Mr. Crafts also stated that special note had been taken of the statement made by the attorney for the FTC at the hearing on Oct. 17 to the effect that the commission does not recognize the authority of the California insurance department and the statement of the commission that it had no jurisdiction in California arose solely from the fact that the courts had held that the commission had no authority with respect to intrastate transactions.

In his statement, Mr. Crafts again recorded the fact that the sale of personal accident and health insurance by the Fireman's Fund Indemnity company constitutes less than 1% of the total business written by Fireman's Fund insurance group. Also, that the companies do not sell insurance directly to the public, that all of the group's business is handled through agents and brokers who are licensed by the insurance departments of the 48 states.

U. S. Becoming Annuity Minded, S. S. Huebner Says

CINCINNATI—The nation is becoming annuity-minded and in 25 years from now we won't hear as much about life insurance as annuities and pensions," Dr. S. S. Huebner, president emeritus of the American College, told a luncheon meeting of 500 sponsored by Cincinnati CLU chapter.

Pointing to the loss prevention and conservation work carried on by the property insurance companies, he said a similar program is needed in life insurance and he is promoting a conservation program in which he hopes life and A&H companies will participate.

Dr. Huebner stressed the similarity between life and A&H insurance. Both, he said, exist for absolutely the same purpose, the replacement of income. Total and permanent disability insurance, for example, provides a life annuity for a living death.

Pan-Am Appoints Hunter

Pan-American Life has appointed W. Dudley Hunter general agent at Lubbock, Tex. Mr. Hunter, in insurance eight years, has been manager of C. & I. Ins. Co. at Lubbock.



W. D. Hunter

Atlantic Sales up 37.6%

Atlantic Life ordinary sales for the first nine months were up 37.6%, nearly exceeding last year's figure for the entire 12 months' operation. Every month this year has shown a gain, resulting in a total ordinary increase of \$8,939,000. A&H sales are ahead of 1954 also.

First-year premiums at the end of September were up 71.25%, amounting to 27.9% more than the entire 1954 production.

Western Life Cuts Rates

Western Life of Montana has brought out two ratebooks with lower rates and higher minimum amount requirements for both participating and non-participating policies. Minimum for the ordinary life preferred risk has been increased from \$10,000 to \$12,000. A special ordinary life issued in minimum amounts of \$6,000 has been introduced. Cash values remain unchanged.

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Don't Curb Term but Push Permanent Plans, LIAMA Alumni Told

No good will come in reducing term sales, but rather, improvement must come in promoting permanent sales of life insurance, Donald W. Smith, manager for New York Life in New York City, told LIAMA's Atlantic Alumni Assn. meeting at Rye, N. Y.

Mr. Smith pointed to three results in his agency from "learning all we could about the proper use of term." He said: "We increased our business; we were better able to guide our associates; we also have gained a healthy respect for the place of term in our plans."

He spoke of term as "a good product with an important and definite place in our sales portfolio."

Mr. Smith outlined his own specific steps to promote the judicious sale of term and, at the same time, aggressively promote the sale of permanent.

Taking each letter of the word "TERM," Mr. Smith said: "T is for training, knowledge and skills. E is for ego, make them believe they are good. R is for recognition, make them recognize that you think they are good. M is for management habits, set a good example, think that you, too, are good."

Describing his agency training program, Mr. Smith said "we consider it vitally necessary to feed well-thought-out and stimulating ideas that will lead the agent into better job satisfaction, better markets, and better quality and quantity of sales."

He called CLU training a "must" and described the value of group work. "Every agent is encouraged to join a group generally not larger than four or five," he said. "When he finishes one, we start him on a new one. We encourage one of the group to be the leader, and keep the leadership rotating so everyone has a turn at being 'important.' We find that our agents like these courses, they like the activity pattern, and their interest and enthusiasm is kept at a fine level."

The importance of training the management team was stressed by Mr. Smith, who described his regular bi-monthly staff meetings. "These meetings give the general manager a necessary opportunity to appraise the quantity, quality and spirit of the work of the entire management team."

In endeavoring to build each agent's ego, Mr. Smith listed five areas of concern: telephone service, policyholder counter service, agency service unit, sales promotion ideas, and physical setup. In each area, he said, "we continually ask ourselves whether it reflects dignity, enhances the ego and job satisfaction of the agent."

On the subject of sincere recognition for jobs well done, Mr. Smith said his "agency team is well briefed on an action pattern for both public and private methods of recognition."

He stated his philosophy of "private recognition": "Hardly a day passes that someone does not want to come in and unburden his problems or his joys. Being a good listener is recognizing the importance of the person, whether he be a topflight or modest producer. We recognize that a man's home is his castle. Hence no one on our agency team invades the privacy of that castle, unless invited. We do not subscribe to the principle of 'dropping in.' Nor do we want to make a habit

Even the Best Supervision Can Only Prolong the Mistfit Agent's Agony for a Brief Time

"The best supervision in the world is misplaced on the man who should not be in our business in the first place," said Ralph H. Rice, Jr., Prudential manager in Philadelphia, at LIAMA's Atlantic Alumni Assn. meeting at Rye, N. Y.

Mr. Rice said "many hundreds of thousands of dollars have been spent on supervision of poorly selected agents, which merely prolonged by a few months or a year their existence in the business." He said the life insurance business is not unique in this regard.

While admitting that everyone makes some mistakes in selection, he suggested recognizing its importance and its definite bearing on supervision.

Mr. Rice said: "If you have a good man to start with, your supervision in the early days and over the years is interesting and rewarding." Terming supervision a continuous process, he said he had never known of an agency where supervision was too thorough over a prolonged period of time.

Describing five supervisory tools used in his agency, Mr. Rice said that he felt that their importance lies in the fact that they deal with specifics, not generalizations. Three tools are for the agent, two for the assistant manager.

1. The "agent's blue-print" analyzes working habits of the agent and shows where improvements can be made. The agent and manager discuss all phases of the agent's operations and each

week a follow-up interview is conducted.

2. The agent's monthly progress statement shows the agent whether he is ahead or behind his objectives, comparing his production with his quota.

3. The weekly progress report is completed by all agents during their first three years in the agency. This gives a complete picture of their activities for the week: number of "face calls" and interviews; written and paid business. Each week management discusses with the agent this report in which patterns of strength and weakness show up readily.

4. The assistant manager's weekly report covers field work with agents in his unit; office drill and rehearsal; office conferences, recruiting activities; comments on each agent and his work habits. In addition, the assistant manager writes down his plans for the next week to help him better organize his work.

5. The assistant manager's monthly progress statement, like the agent's, visually shows the assistant manager whether he is ahead or behind his goals.

"Much has been written and said about morale," Mr. Rice concluded. "But good morale isn't automatic. It has to be earned through continuous supervision on a high plane. You develop in an agent good work habits, adequate prospecting methods and skillful sales ability. When this is accomplished, you have good morale."

Constant Supervision Unpleasant but Vital, LIAMA Alumni Told

Supervision of life insurance salesmen must be continuous and probably without end, was the conclusion of L. Kent Babcock, Aetna Life general agent in Philadelphia, who keynoted a meeting of LIAMA's Atlantic Alumni Assn. at Rye, N. Y. Mr. Babcock completed his term as president at this meeting.

Noting that continuous supervision is not a particularly pleasant thought, Mr. Babcock said "it is probably just as unpleasant to the man being supervised as it is to the agency manager or to the supervisor but we may as well face it."

He cited two common problems in supervision. One is too early relaxation of supervision; the other is supervising all men on the same basis.

"We have talked to the new man about being in business for himself. We hope he is adult enough to do the things necessary to attain his goals. After a few weeks we begin to relax the discipline. There is less joint field work, fewer training sessions, fewer conferences, a bit of relaxation in demanding necessary reports. It seems to me this happens either at a time when the new man still possesses lots of enthusiasm for his new career or, because of his enthusiasm, he is doing well—better than enough to meet the validation schedule required by his financing. The result is the trouble starts before the supervisor realizes it."

Mr. Babcock continued: "Another problem arises when we try to handle all men alike. There is a basic pattern, but every man we induct into this business just cannot fit into that pattern exactly and we shouldn't expect him to. His resistance to strict supervision on a fixed pattern is not always readily apparent even to him."

Hails Progress in Treatment of Cancer

NEW YORK—Treatment of acute leukemia at Memorial Center for Cancer in New York City has succeeded in prolonging the lives of a sizable number of children and "if we are able to make a break, progress in the treatment of the rest of the types of cancer will not be far behind, even though the nature of the cancers may differ from one another," said Dr. Joseph H. Burchenal of the Sloan-Kettering Institute, at the annual meeting of Assn. of Life Insurance Medical Directors here.

Back when no treatment was available, only 5% of children with acute leukemia survived more than a year. With cortisone and ACTH the percentage rose to 29, while with the more recently developed use of methotrexate, cortisone, and No. 6 mercaptopurine it has risen to 47.

The main approach to finding new chemicals for treating cancer is to screen a great many of them, said Dr. Burchenal. This is going on throughout the world. At Sloan-Kettering Institute, 15,000 such chemicals as well as 13,000 antibiotic filtrates have been examined.

Names New Detroit Agency

Pension Consultants, Inc., Detroit, has been appointed a general agency of Central Standard Life. M. H. Blankenhagen and Herbert A. Cavanagh, long prominent in insurance in Detroit, have formed the new organization.

The H. A. Fuestel agency of Lincoln National Life led all company offices in production in September, with business in excess of \$1 million.

Modern Woodmen Names Tiedje Investment Head

A. G. Tiedje, supervisor of the bond division of Modern Woodmen's investment department, has been named investment manager.

Mr. Tiedje has been with Modern Woodmen since 1933. He fills the position made vacant by the resignation last August of D. A. W. Bangs.

Pan-Am at \$800 Million

Pan-American Life has reached the \$800 million mark in insurance in force. President Crawford H. Ellis, one of four men who founded the company in 1912, said the record had been reached as a "result of continuing high volume of sales, coupled with the efficient processing of these transactions through the home office." He praised employees on the achievement.

Pittsburgh Cashiers Elect

Jeanne Starr, Union Mutual Life, is the new president of Pittsburgh Cashiers Assn.

Other officers are Henry Gill, Lincoln National, vice-president; William Leaux, Lincoln National, treasurer, and Mae Dewall, Bankers Life of Iowa, secretary.

of frequently inviting a select few big producers to our homes. Equality must be maintained if we are to build successful top producers from the ranks of small producers."

He stressed the value of good management habits: "Our agency team is required to be on the job on time. We don't think it's good business for the general manager and others to straggle in late."

Mr. Smith said that some responsible member of the agency is always available. When an agent needs help and can't get it, this is harmful to morale, he emphasized. He also stressed the importance of neat and orderly offices for each member of the agency.

Diamond Match Offers A&H to Retired Employees

Diamond Match Co. is offering a program of hospitalization and surgical insurance for employees who retire after 10 or more years of continuous service. The program supplements the present group plan and includes hospital benefits of \$10 a day for 31 days, plus an extra hospital fee up to \$200 and surgical benefits up to \$250. The coverage is written by Aetna Life.

The maximum payment for both hospital and surgical is \$1,000 each for both the employee and spouse during their retired lifetime. The cost of the additional benefits is \$2.50 a month each for the retiring employee and spouse, with the balance being paid by the employer.

Japanese Visitors at Met

NEW YORK—The Japanese delegation of 14 leading representatives of that country's industry, finance, education and governmental administration, which is now completing a five-week mission in the United States, had a day-long conference with President Frederic W. Ecker of Metropolitan Life and other company officials at the home office. The delegation members were guests at a luncheon. Ichiro Yano, president of Dai-ichi Mutual Life, is a member of the delegation.

Charter to American Federal Life

American Federal Life Insurance Co. of Charlotte has received a charter from North Carolina secretary of state but has not yet been licensed. Owned by Home Finance group, it will write credit life. Officers are John R. Knott, president; E. W. Shackelford Jr., secretary; B. Irvin Boyle, general counsel; and E. C. Fleming, general agent.

New United Western Head

James R. Taylor, former executive vice-president of Rural Life of Dallas, has been elected president of the four-year old United Western Life of Fort Worth.

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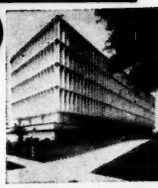
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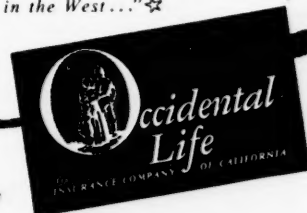
DIVIDEND ILLUSTRATIONS — even those as good as present projections on our Preferred Whole Life plan—offer no magic sales formula when used alone.

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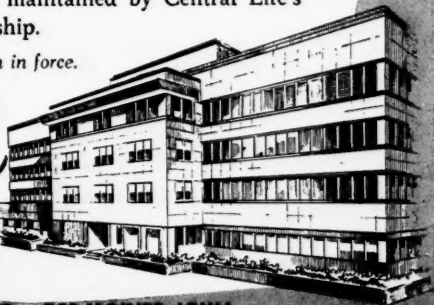
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